

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, C. C-36, AS AMENDED**

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
1462598 ONTARIO INC., carrying on business as TRICON FILMS AND TELEVISION,
AND THE OTHER COMPANIES LISTED IN SCHEDULE "A"**

Applicants

APPLICATION RECORD

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Lawyers for the Applicants

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C216-11634-0002

Court File No.

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Applicants

NOTICE OF APPLICATION

TO THE PARTIES HEREIN:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicants. The claim made by the Applicants appears on the following pages.

THIS APPLICATION will come on for a hearing before a Judge of the Ontario Superior Court of Justice (Commercial List) on **Monday, the 12th day of December, 2016 at 10:00 a.m.**, or as soon after that time as the application can be heard, at 330 University Avenue, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the Applicants' lawyers or, where the Applicants do not have a lawyer, serve it on the Applicants, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicants' lawyer or, where the Applicants do not have a lawyer, serve it on the Applicants, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least two days before the hearing.

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IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU.

IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: December 9, 2016

Issued by: 
Local Registrar A. Anissimova
Registrar

Address of Court Office:
330 University Avenue
7th Floor
Toronto, Ontario
M5G 1R7

APPLICATION

1. The Applicants make an application for an order substantially in the form attached as **Schedule “A”** hereto (the “**Initial Order**”), among other things:
 - (a) abridging the time for service and filing of this Notice of Application and the Application Record, and dispensing with service on any person other than those served;
 - (b) declaring that the Applicants are companies to which the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) applies;
 - (c) appointing KSV Kofman Inc. (“**KSV**”) as monitor of the Applicants in this proceeding (in such capacity, the “**Monitor**”);
 - (d) staying all proceedings taken or that might be taken against or in respect of the Applicants, the directors or officers of the Applicants, or the Monitor, or affecting the Business or the Property (as those terms are defined therein), subject to the provisions set out in the Initial Order;
 - (e) staying all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or leave of this Court;

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- (f) restraining all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or services to the Business or the Applicants, from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants;
- (g) authorizing the Applicants to enter into, and borrow under, the credit facility extended by SunTrust Bank (the “**DIP Lender**”) pursuant to the commitment letter between the Applicants and the DIP Lender (the “**DIP Commitment Letter**”);
- (h) granting the following priority charges over the Property, which charges shall rank in the priority set out in the Initial Order:
 - (i) a priority charge in favour of the Applicants’ counsel, the Monitor and the Monitor’s counsel (the “**Administration Charge**”);
 - (ii) a priority charge in favour of the DIP Lender to secure all amounts owing under the DIP Commitment Letter (the “**DIP Lender’s Charge**”); and
 - (iii) a priority charge in favour of the directors and officers of the Applicants (the “**Directors’ Charge**”); and
- (i) such further and other relief as this Honourable Court may deem just.

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2. The grounds for the application are as follows:
 - (a) The Applicants are insolvent.
 - (b) The Applicants require relief under the CCAA including a stay of proceedings in order to effect a sale or an orderly wind down of their business.
 - (c) The Applicants are companies to which the CCAA applies.
 - (d) KSV has agreed to act as Monitor.
 - (e) The provisions of the CCAA and the inherent and equitable jurisdiction of this Court.
 - (f) Rules 1.04, 2.03, 3.02, 14.05(2), 16, 17.02(a) and (n) and 38 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and section 106 of the *Courts of Justice Act*, R.S.O. 1990, Reg. 194.
 - (g) Such further and other grounds as counsel may advise and this Honourable Court may permit.

3. The following documentary evidence will be used at the hearing of the application:
 - (a) the Affidavit of Andrea Gorfolova;
 - (b) the Consent of KSV to act as Monitor;
 - (c) the Proposed Monitor's Report; and

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- (d) such further and other evidence as counsel may advise and this Honourable Court may permit.

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Lawyers for the Applicants

Schedule “A”

1. 1462598 Ontario Inc.
2. Operator Post Inc.
3. Tricon Education Inc.
4. Tricon Films Inc.
5. Tricon Interactive Inc.
6. Tricon Television Inc.
7. Tricon Television10 Inc.
8. Tricon Television44 Inc.
9. Tricon Television49 Inc.
10. Tricon Television54 Inc.
11. Tricon Television55 Inc.
12. Tricon Television58 Inc.
13. Tricon Television59 Inc.
14. Tricon Television62 Inc.
15. Tricon Television63 Inc.
16. Tricon Television64 Inc.
17. Tricon Television65 Inc.
18. Tricon Television66 Inc.
19. Tricon Television67 Inc.
20. Tricon Television68 Inc.
21. Tricon Television69 Inc.
22. Tricon Television70 Inc.
23. Tricon Television71 Inc.
24. Tricon Television72 Inc.
25. Tricon Television73 Inc.
26. Tricon Television74 Inc.
27. Tricon Television75 Inc.
28. Tricon Television76 Inc.
29. Tricon Television77 Inc.
30. Tricon Television78 Inc.
31. Tricon Television79 Inc.
32. Tricon Television80 Inc.
33. Tricon Television81 Inc.
34. Tricon Television82 Inc.
35. Tricon Television83 Inc.
36. Tricon Television84 Inc.
37. Tricon Television85 Inc.
38. Tricon Television86 Inc.
39. Tricon Television87 Inc.
40. Tricon Media Holdings, Inc.
41. Tricon Media Productions, Inc.
42. Tricon Media, Inc.
43. Tricon US Productions1 Inc.
44. Tricon US Productions14 Inc.
45. Tricon US Productions15 Inc.
46. Tricon Films (UK) Limited

Schedule “A” – Draft Order

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	WEEKDAY, THE #
)	
JUSTICE)	DAY OF MONTH, 20YR

**IN THE MATTER OF THE *COMPANIES’ CREDITORS ARRANGEMENT ACT*,
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APPLICANTS

INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Andrea Gorfolova sworn December ●, 2016 (the “**Gorfolova Affidavit**”) and the Exhibits thereto, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME] although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of KSV Kofman Inc. to act as the Monitor,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicants are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Applicants shall carry on business in a manner consistent with the preservation of the value of their businesses (the “**Business**”) and Property on the basis described in the Gorfolova Affidavit. The Applicants are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the Applicants shall be entitled to continue to utilize the central cash management system currently in place as described in the Gorfolova Affidavit or replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or

legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. THIS COURT ORDERS that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges.

7. THIS COURT ORDERS that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicants following the date of this Order.

8. THIS COURT ORDERS that the Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

9. THIS COURT ORDERS that until a real property lease is disclaimed in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicants and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. THIS COURT ORDERS that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date, except to the DIP Lender in accordance with the Commitment Letter; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING AND ORDERLY WIND DOWN

11. THIS COURT ORDERS that the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$100,000 in any one transaction or \$250,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue a sale or liquidation of its Business or Property, in whole or part, subject to prior approval of this Court being obtained for any sale or liquidation,

all of the foregoing to permit the Applicants to proceed with an orderly sale or winding down of the Business.

12. THIS COURT ORDERS that the Applicants shall provide each of the relevant landlords with notice of the Applicants' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicants, or by further Order of this Court upon application by the Applicants on at least two (2) days notice to such landlord and any such

secured creditors. If the Applicants disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, they shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicants' claim to the fixtures in dispute.

13. THIS COURT ORDERS that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

14. THIS COURT ORDERS that until and including January ●, 2017, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicants to carry on any

business which the Applicants are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

16. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants, and that the Applicants shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

18. THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-

advance any monies or otherwise extend any credit to the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. THIS COURT ORDERS that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

21. THIS COURT ORDERS that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall not exceed an aggregate amount of \$250,000, as security for the indemnity provided in paragraph 20 of this Order. The Directors' Charge shall have the priority set out in paragraphs 38 and 40 herein.

22. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 20 of this Order.

APPOINTMENT OF MONITOR

23. THIS COURT ORDERS that KSV Kofman Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

24. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicants, to the extent required by the Applicants, in their dissemination, to the DIP Lender and its counsel as contemplated by the Commitment Letter (defined below) of financial and other information as agreed to between the Applicants and the DIP Lender (defined below) which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;
- (d) advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel as required under the Commitment Letter;
- (e) advise the Applicants in their development of the Plan and any amendments to the Plan;

- (f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (i) perform such other duties as are required by this Order or by this Court from time to time;
- (j) assist, to the extent required, with the wind-down of the Business and operations of the Applicants; and
- (k) assist the Applicants and SunTrust, to the extent required, in protecting and realizing on tax credits, including making the necessary filings in relation thereto.

25. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

26. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations

thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

27. THIS COURT ORDERS that that the Monitor shall provide any creditor of the Applicants and the DIP Lender with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants are confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

28. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

29. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a monthly basis.

30. THIS COURT ORDERS that, if requested by the Court or any interested party, the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

31. THIS COURT ORDERS that the Monitor, counsel to the Monitor and the Applicants' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 38 and 40 hereof.

DIP FINANCING

32. THIS COURT ORDERS that the Applicants are hereby authorized and empowered to obtain and borrow under a credit facility from SunTrust Bank (in such capacity, the "**DIP Lender**") in order to finance the Applicants' working capital requirements and other general corporate purposes and capital expenditures.

33. THIS COURT ORDERS that such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Applicants and the DIP Lender dated as of December ●, 2016 (the "**Commitment Letter**"), filed.

34. THIS COURT ORDERS that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the Commitment Letter or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

35. THIS COURT ORDERS that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 38 and 40 hereof.

36. THIS COURT ORDERS that, notwithstanding any other provision of this Order:
- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
 - (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon 3 business days notice to the Applicants and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the DIP Lender to the Applicants against the obligations of the Applicants to the DIP Lender under the Commitment Letter, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and
 - (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

37. THIS COURT ORDERS AND DECLARES that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

38. THIS COURT ORDERS that the priorities of the Directors' Charge, the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$500,000);

Second – DIP Lender’s Charge; and

Third – Directors’ Charge (to the maximum amount of \$250,000).

39. THIS COURT ORDERS that the filing, registration or perfection of the Directors’ Charge, the Administration Charge or the DIP Lender’s Charge (collectively, the “**Charges**”) shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

40. THIS COURT ORDERS that each of the Directors’ Charge, the Administration Charge and the DIP Lender’s Charge (all as constituted and defined herein) shall constitute a charge on the Property. The Administration Charge and the DIP Lender’s Charge shall rank in priority to the security interests in favour of SunTrust but behind all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person that has not been served with the notice of the application for this Order. The Directors’ Charge shall rank subsequent in priority to the security interests in favour of SunTrust and any Encumbrances that rank in priority to SunTrust and also subsequent in priority to all other Encumbrances in favour of any Person that has not been served with the notice of the application for this Order. The Applicants and the beneficiaries of the Charges shall be entitled to seek priority ahead of all Encumbrances (other than the Directors’ Charge, which shall remain subsequent in priority to the DIP Lender’s Charge) on notice to those parties likely to be affected by such priority (it being the intention of the Applicants to seek, at the Comeback Motion (as defined below), priority for the Administration Charge and DIP Lender’s Charge ahead of all Encumbrances and priority for the Directors’ Charge ahead of all Encumbrances other than the DIP Lender’s Charge). The security granted by the Definitive Documents charging the Property shall have the same priority as the DIP Lender’s Charge.

41. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors’ Charge, the Administration Charge or the DIP Lender’s Charge, unless the Applicants also obtain the prior

written consent of the Monitor, the DIP Lender and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

42. THIS COURT ORDERS that the Directors' Charge, the Administration Charge, the Commitment Letter, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Commitment Letter or the Definitive Documents shall create or be deemed to constitute a breach by the Applicants of any Agreement to which they are a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants entering into the Commitment Letter, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Applicants pursuant to this Order, the Commitment Letter or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interest in such real property leases.

SERVICE AND NOTICE

44. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in The Globe and Mail a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available (except that the names, addresses and claim amounts of any employee creditors shall not be published) in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

45. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <http://www.ksvadvisory.com/insolvency-cases/tricon-films-&-television/>.

46. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicants and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicants’ creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

COMEBACK MOTION

47. THIS COURT ORDERS that the Applicants are authorized to serve their motion materials with respect to their motion to elevate the priority of the Charges (the “**Comeback Motion**”) by forwarding a copy of this Order and any additional materials to be filed with respect to the Comeback Motion by electronic transmission, where available, or by courier to each of the parties likely to be affected by the relief to be sought, at each such party’s address as last shown on the records of the Applicants.

GENERAL

48. THIS COURT ORDERS that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

49. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.

50. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

51. THIS COURT ORDERS that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

52. THIS COURT ORDERS that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

53. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard Time on the date of this Order.

Schedule “A”

1. 1462598 Ontario Inc.
2. Operator Post Inc.
3. Tricon Education Inc.
4. Tricon Films Inc.
5. Tricon Interactive Inc.
6. Tricon Television Inc.
7. Tricon Television10 Inc.
8. Tricon Television44 Inc.
9. Tricon Television49 Inc.
10. Tricon Television54 Inc.
11. Tricon Television55 Inc.
12. Tricon Television58 Inc.
13. Tricon Television59 Inc.
14. Tricon Television62 Inc.
15. Tricon Television63 Inc.
16. Tricon Television64 Inc.
17. Tricon Television65 Inc.
18. Tricon Television66 Inc.
19. Tricon Television67 Inc.
20. Tricon Television68 Inc.
21. Tricon Television69 Inc.
22. Tricon Television70 Inc.
23. Tricon Television71 Inc.
24. Tricon Television72 Inc.
25. Tricon Television73 Inc.
26. Tricon Television74 Inc.
27. Tricon Television75 Inc.
28. Tricon Television76 Inc.
29. Tricon Television77 Inc.
30. Tricon Television78 Inc.
31. Tricon Television79 Inc.
32. Tricon Television80 Inc.
33. Tricon Television81 Inc.
34. Tricon Television82 Inc.
35. Tricon Television83 Inc.
36. Tricon Television84 Inc.
37. Tricon Television85 Inc.
38. Tricon Television86 Inc.
39. Tricon Television87 Inc.
40. Tricon Media Holdings, Inc.
41. Tricon Media Productions, Inc.
42. Tricon Media, Inc.
43. Tricon US Productions1 Inc.
44. Tricon US Productions14 Inc.
45. Tricon US Productions15 Inc.
46. Tricon Films (UK) Limited

IN THE MATTER OF COMPANIES' CREDITORS ARRANGEMENT ACT

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF MADY COLLIER CENTRE LTD.

Court File No.

216-11634-0000 Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

NOTICE OF APPLICATION

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Lawyers for the Applicant

Court File No. CV16-11634-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, C. C-36, AS AMENDED**

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
1462598 ONTARIO INC., carrying on business as TRICON FILMS AND TELEVISION,
AND THE OTHER COMPANIES LISTED IN SCHEDULE "A"**

Applicants

AFFIDAVIT OF ANDREA GORFOLOVA

I, Andrea Gorfolova, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the President and sole shareholder of the Applicant, 1462598 Ontario Inc., which carries on business as Tricon Films and Television (referred to herein as "**TFT**" or the "**Company**"), and which directly or indirectly owns the shares of all of the companies listed in Schedule "A" attached hereto (collectively with TFT, the "**Applicants**" or "**Tricon**"). I am also the sole officer and director of each of the other Applicants. As such, I have personal knowledge of the matters to which I depose in this affidavit, save and except for such facts or matters which are stated to be based on information and belief, and where so stated, I believe same to be true.

2. I swear this affidavit in support of an application by the Applicants for relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C. C-36, as amended (the "**CCAA**").

A. THE APPLICANTS AND RELATED COMPANIES

3. Tricon's business was started in 2000 and today it is recognized in the global marketplace as an independent producer and distributor of multi-genre content developed for film, television and other emerging platforms.

4. Attached hereto as **Exhibit A** is a corporate organization chart showing all companies owned directly or indirectly by TFT, and attached hereto as **Exhibit B** is a listing of those companies including their jurisdictions of incorporation.

5. As described in more detail below, the Tricon companies are generally organized by line of business and/or geographical location, with the majority of the companies (those containing the term 'Tricon Television') being single-purpose entities for the production of specific television programs.

6. Tricon Films Inc. ("**TFI**") is an Ontario corporation which holds the majority of Tricon's Canadian distribution assets and contracts. Tricon Media, Inc. ("**TMI**"), a California corporation, and Tricon Films (UK) Limited ("**TFI (UK)**"), a U.K. corporation, hold the balance of Tricon's distribution assets and contracts.

7. On each of June 1, 2015 and June 1, 2016, the company then known as 'Tricon Television Inc.' amalgamated with each of TFT's single-purpose television series production subsidiaries with respect to productions that had been completed to form a new entity called Tricon Television Inc.

The company now known as Tricon Television Inc. (Ontario corporation #1955547, hereinafter referred to as “**TTI**”) was formed on June 1, 2016 as a result of the amalgamation of 16 companies.¹

8. Tricon Interactive Inc. was established to hold Tricon’s digital projects. It is not currently carrying on any business activities.

B. BUSINESS OF THE TRICON GROUP

i. Lines of Business

9. The head office of Tricon is in Toronto. Tricon also has an office in Los Angeles. From these leased locations, Tricon creates high-quality award winning content for various companies, including Scripps Networks (including Great American Country, HGTV, DIY, Cooking Channel and Food Network), A&E Networks, Showtime, NBC Universal, Shaw Media, Corus Entertainment and Bell Media. Tricon has amassed a production roster of over 800 hours of original content.

10. Through Operator Post Inc. (“**OPI**”), Tricon does its own post-production work from its Toronto premises. OPI provides in-house transcription and closed-captioning services utilizing a dedicated transcribing team. Its audio post-production facility handles all of the Applicants’ voiceover and audio post-production needs (including 4 channel M&E versioning and 7.1 surround).

11. Tricon’s distribution arm features a broad catalogue of high quality, multi-platform content, including primetime scripted drama and comedy, kids, lifestyle, factual and documentary series and

¹Tricon Television Inc. (Ontario corporation #1936333), Tricon Television31 Inc., Tricon Television33 Inc., Tricon Television40 Inc., Tricon Television43 Inc., Tricon Television46 Inc., Tricon Television47 Inc., Tricon Television48 Inc., Tricon Television50 Inc., Tricon Television51 Inc., Tricon Television52 Inc., Tricon Television53 Inc., Tricon Television56 Inc., Tricon Television57 Inc., Tricon Television60 Inc. and Tricon Television61 Inc.

specials. It currently represents a catalogue of over 3,000 hours of content which is seen on over 150 broadcast and digital platforms including Netflix, Hulu, Crackle, Google, Apple, NBC Universal, AMC Networks, Turner, A&E Networks, Scripps Network, Viacom, Canal +, Foxtel and Sky Broadcasting. Its library is primarily comprised of approximately 72 filmed entertainment titles produced by a Tricon entity and owned into perpetuity, and approximately 185 third party titles for which Tricon has varying contractual rights.

ii. Employees and Contractors

12. Tricon has approximately 22 employees and another approximately 15 independent contractors, of which 32 are located in Canada and 5 are located in the U.S. None of the employees or contractors are unionized.

13. None of the Tricon companies maintain or contribute to a pension plan for its employees.

iii. Bank Accounts and Cash Management

14. In the ordinary course of their business, the Tricon companies use a centralized cash management system (the “**Cash Management System**”) to, among other things, collect funds and pay expenses associated with their operations. The Cash Management System gives Tricon the ability to easily and cost-effectively control corporate funds and ensure cash availability for its operations.

15. The Tricon companies maintain bank accounts in Canada, the U.S. and the U.K. as described in **Exhibit C** attached hereto.

16. Bank accounts were typically established for each single-purpose television series production company. Each such account has been used to deposit license fees and tax credits for that specific television production and to pay production costs.

17. Pursuant to the terms of a Forbearance Agreement (discussed in more detail below) between Tricon and its lender, SunTrust Bank (“**SunTrust**”), tax credit receipts for the various television productions are being used to permanently reduce the debt owed to SunTrust. Tax credit monies are received via direct deposit from Canada Revenue Agency (“**CRA**”) into the corresponding production company bank accounts, and then wired to an account held by TFT at SunTrust. SunTrust then debits the account for the amount of the tax credit received.

18. Any surplus or deficit for a television series production company is consolidated with/funded by TFT by way of transfers between the single-purpose television series production company bank accounts and a TFT bank account.

19. Distribution contracts are entered into by either TFI, TMI or TFI (UK). Sales revenues are deposited into accounts owned by those companies and are generally used to pay the respective companies’ expenses.

20. U.S. sales collections are generally deposited to TMI’s account at SunTrust, and are used to pay TMI’s expenses, including the L.A. office overhead expenses. Any surplus or deficit at TMI is consolidated with/funded by TFT by way of transfers between the bank accounts of TMI and TFT.

21. All intercompany transfers are properly recorded in the books of Tricon.

22. Continued use of and access to the Cash Management System will be required by the Applicants in order to operate efficiently during the CCAA process and to avoid the process of changing bank account details with CRA for the purpose of receiving tax credits, which process can result in confusion and delay.

C. ASSETS AND LIABILITIES

i. Financial Statements

23. The Applicants' financial statements are typically prepared on a consolidated basis with a May 31 year-end, although the fiscal year ends of the various companies differ. The fiscal year end of TFT is August 31. The Applicants' financial statements have not been audited since 2013.

24. Attached hereto as **Exhibit D** is a true copy of the internal consolidated and unconsolidated financial statements for the Applicants as of May 31, 2016, which include the relevant information for each of the Applicants on a company-by-company basis as of that date.

25. Attached hereto as **Exhibit E** is a true copy of an internal statement prepared on an unconsolidated basis showing the Applicants' liabilities and payables as of October 31, 2016.

ii. Assets

26. The assets of the Applicants consist mainly of accounts receivable, taxes receivable, television programs in development and investment in TV programs, described in more detail below.

a. Accounts Receivable

27. The accounts receivable for the production business include all unpaid production license fees. A production license fee is similar to a project billing - license fees are due when a production reaches contracted dates or delivery milestones (such as a production start date, the delivery of episodes, etc).

28. The accounts receivable for the distribution business include unpaid amounts for all executed contracts with a license period start date (“**LPSD**”) on or prior to the reporting date of the relevant financial statements. The LPSD is the date at which the broadcaster is free to start broadcasting the program. Distribution sales and accounts receivable have been recorded in either TFI, TMI or TFI (UK), depending on the company that entered into the relevant contract.

29. As at October 31, 2016, Tricon’s production and distribution accounts receivable totalled in the aggregate approximately CAD \$3.7 million.

b. Taxes Receivable

30. Taxes receivable involve two types of tax credits:

(a) Production Services Tax Credits (production service deals), which consist of:

- i. Ontario Credits - includes all qualifying production expenditures incurred in Ontario including eligible wages, service contracts and tangible property. Eligible production expenditures are expenditures paid to companies and partnerships which

have a permanent establishment in Ontario and to Ontario-based individuals. The tax credit rate is 21.5% of eligible expenditures; and

- ii. Federal Credits - includes eligible Canadian labour expenditures only. Labour expenditures are eligible when they are paid to persons who were resident in Canada at the time of the payments and for services rendered in Canada. The tax credit rate is 16% on eligible labour (less amounts received for provincial credits); and

(b) Content Tax Credits (Tricon productions), which consist of:

- i. Ontario Credits - includes all qualifying Ontario labour expenditures paid to Ontario residents regardless of where the services were rendered. The tax credit rate is 35% of eligible labour; and
- ii. Federal Credits - includes all qualifying Canadian labour expenditures paid to Canadians. The tax credit rate is 25% of eligible labour (less amounts received for provincial credits).

31. Tax credits are estimated based on production budgets. Each production budget is reviewed by the Canadian Audio-Visual Certification Office (“CAVCO”) which determines if it meets the requirements to be considered a Canadian production (and thereby eligible to receive tax credits). CAVCO will provide a “CAVCO-A” certificate for the production budget if it qualifies as a Canadian production. CAVCO will review the final cost report at the end of a production and issue a “CAVCO-B” certificate if the final cost report and production were consistent with the budget thus confirming their qualification as Canadian.

32. CAVCO requires an audited cost report if applying for the Content Tax Credit. A cost report audit is not required if applying for the Production Services Tax Credit. Tax credits are claimed on the corporate tax return filed when the production is completed and delivered. The CAVCO certificates are provided to CRA when the tax return is filed. There are currently ten titles with tax returns filed with CRA that are waiting for reports from CAVCO and/or Ontario Media Development Corporation.

33. The above-noted forms of tax credits are all referred to as Canadian Film or Video Production Tax Credits (“CPTC”). The CPTC is jointly administered by CAVCO and CRA. There are presently approximately \$7 million of CPTC refunds owing to the Applicants, which are scheduled to be collected through to the end of 2017.

c. TV Programs in Development

34. Every television production goes through a development stage before it is produced as a full, episodic production. Tricon develops various ideas for shows and ‘pitches’ them to broadcasters. Tricon staff coordinate the development. During that stage, Tricon will incur costs and create ‘sizzles’ and/or other materials necessary to pitch to networks. Depending on the stage of development, networks will sometimes provide funding for development. The net amount spent on show development is capitalized until the show is either “green-lit” by a network to be produced, or it is reflected as an expense on the financial statements if it is determined that the show will not be produced. Development costs are reviewed on a quarterly basis by title to determine if they should be expensed or if there is still potential for continued development.

d. TV Programs in Progress

35. Production revenue is not recognized until the production is completed and delivered. Production costs for shows not yet delivered are temporarily moved to ‘work-in-progress’ until such time that the production is completed and delivered.

e. Investment in TV Programs

36. On the production side, for Tricon-produced titles, accounting rules (the “**Film Forecast Method**”) require that Tricon consider future distribution revenues in the projected profit of the production. A portion of the production costs are capitalized and amortized against future distribution revenues.

37. On the distribution side, minimum guarantees (“**MGs**”) provided to producers are capitalized to the balance sheet and amortized to the income statement as sales revenues are collected. MGs are prepaid royalties and are recoupable. The Film Forecast Method requires MGs to be capitalized and amortized over estimated future revenues. The costs for dubbing are also capitalized.

38. “Investment in TV Programs” includes capitalized MGs for third party distribution contracts and a portion of the production budget for Tricon-produced titles.

iii. Liabilities

a. SunTrust

39. TFT is indebted to SunTrust in the amount of approximately USD \$10.1 million plus interest of approximately USD \$290,000 which continues to accrue pursuant to a Revolving Credit, Security,

Guaranty and Pledge Agreement dated as of August 22, 2013, as amended July 29, 2014 and October 28, 2014 (the “**Credit Agreement**”). TFT’s obligations to SunTrust were guaranteed by all of the Applicants other than TFT. A true copy of the Credit Agreement is attached hereto as **Exhibit F**.

40. SunTrust holds security interests registered against all of the Canadian Applicants’ assets² which have been registered under the *Personal Property Security Act* (Ontario). For those Applicants located in California, the security interest of SunTrust has also been registered under the Uniform Commercial Code in that state.³

41. Following SunTrust’s notification to TFT that it was in default under the Credit Agreement, the Applicants entered into a Forbearance Agreement with SunTrust on August 19, 2015 (the “**Forbearance Agreement**”) providing for a forbearance of SunTrust’s enforcement rights against the Applicants, on terms and conditions as set out therein, until October 31, 2015. Pursuant to modification agreements signed on October 31, 2015 and January 31, 2016, respectively, the forbearance period was extended to January 31, 2016, then to April 30, 2016 and then to July 31, 2016. Since August 1, 2016, the loan facilities under the Credit Agreement have been offered by SunTrust on a day-to-day basis and SunTrust has been in a position to demand repayment and enforce its security, and has reserved its right to do so. True copies of the Forbearance Agreement and subsequent modification agreements are attached hereto respectively as **Exhibits G** and **G1, G2** and **G3**.

² Other than Tricon Television80 Inc. and Tricon Television81 Inc.

³ Other than Tricon US Productions1 Inc., Tricon US Productions14 Inc. and Tricon US Productions15 Inc.

42. SunTrust demanded repayment of the amounts owed by Tricon by letter dated September 14, 2016, which included a notice under s. 244 of the *Bankruptcy and Insolvency Act* a true copy of which is attached hereto as **Exhibit H**.

b. AMC/IFC

43. TFT guaranteed repayment of the obligations of TMI owed to Independent Film Channel LLC (“**IFC**”) and AMC Film Holdings LLC (“**AMC**”) as described in more detail below.

44. The total amounts owed to AMC and IFC in the aggregate total approximately USD \$8 million.

c. Cooking Channel, LLC

45. TMI is currently indebted to Cooking Channel, LLC (“**CCL**”) for approximately USD \$870,000 in respect of principal and interest owed under a loan agreement dated June 15, 2012 relating to certain episodes of the television series titled ‘*Nadia G’s Bitchin Kitchen*’ which were produced by Tricon Television62 Inc. (“**T62**”). As collateral for that loan, CCL has a security interest over the interests of TMI and T62 in the aforesaid television episodes, but no other assets.

d. Other Secured Creditors

46. I am informed by George Benchetrit, a partner of Chaitons LLP, counsel to Tricon, that Chaitons LLP has conducted searches under the Ontario Personal Property Security Registration System and equivalent registration systems in California and the U.K. Those searches have revealed

registrations in favour of the following parties (I have omitted SunTrust since its registrations are detailed above):

- Actra Performers' Rights Society
- Bravo Media Productions LLC
- Cooking Channel, LLC
- Independent Film Channel LLC
- National Bank of Canada
- Ovation R&G, LLC
- Roynat Inc.
- Shaw Media Inc
- Union of B.C. Performers
- Universal City Studio Production, LLLP
- Walt Disney EMEA Productions Limited
- Xerox Canada Ltd

47. Attached hereto as **Exhibit I** is a summary prepared by Chaitons LLP of the results of those searches including a brief description of the collateral shown on the registrations. I understand that SunTrust has first-ranking security with respect to all of the Applicants' assets subject to certain limited exceptions.

e. Unsecured Creditors

48. Based on the Applicants' books and records, the Applicants' total accounts payable and accrued liabilities were approximately CDN \$10.65 million as at October 31, 2016 (which does not include the amounts owed to SunTrust, IFC or AMC), of which approximately CDN \$6.3 million was past due. The largest unsecured obligations are owed by TFI to producers in connection with their respective productions. TFI is in arrears of its reporting and payment obligations to producers, including over \$5 million owed to Beedie Film Distribution Inc.

D. EVENTS LEADING TO TRICON'S CURRENT CIRCUMSTANCES

49. Over the last 15 years, Tricon has grown into a reputable production and distribution business.

50. To grow its distribution business, and in order to compete on an international scale, it was decided that Tricon would invest into acquiring more product. Tricon started looking for opportunities and secured a \$20 million borrowing base credit facility with SunTrust to (among other things) finance Tricon's growth.

51. In 2012, TMI entered into a distribution agreement with IFC pursuant to which TMI committed to, among other things, become the distributor for all original productions for exhibition on the IFC channel, and to provide minimum guarantees of 22.5% of the overall production budget on all such shows. At the time, there were about 2-3 series per year being produced for exhibition on the IFC channel at budgets of between \$200,000 and \$300,000 per episode. TMI intended to pre-sell these shows during the production process in order to offset its exposure, and had also secured an output deal with Bell Media for the Canadian territory.

52. In October 2013, TMI also entered into a distribution agreement with AMC for an AMC television series under which TMI agreed to pay a minimum guarantee of over \$800,000 per episode for the first season and increasing amounts per episode for each subsequent season. TMI's obligations under that agreement were guaranteed by TFT on an unsecured basis.

53. Tricon also made further commitments for scripted programs with a few individual producers, and built a business plan to exploit its product and grow its distribution business internationally.

54. Within one year, the budgets of the IFC shows doubled and there were more series than expected. There were also significant changes in the international marketplace, as new U.S. content producers (such as Netflix and Hulu) emerged and almost every U.S. channel started to invest into production of scripted series. These developments caused the international markets to be flooded with content, leading to a reduction in prices and leaving few buyers outside of all the studio and output deals.

55. As a result of these circumstances, Tricon's sales dropped significantly and it was unable to continue making payments for advances to which it had committed (the most significant of which were owed to IFC) on a positive cash flow basis.

56. In November 2014, TMI was able to renegotiate its distribution agreements with IFC and AMC, but by then significant losses had been suffered by the Applicants. As part of the renegotiation with IFC, TMI granted a security interest in favour of IFC over all of TMI's assets ranking subordinate to SunTrust's security position, and TFT guaranteed TMI's obligations to IFC.

57. As explained above, the Forbearance Agreement with SunTrust expired on July 31, 2016, and SunTrust is now in a position to demand repayment of all amounts owed and enforce its rights against the Applicants.

58. To deal with its financial difficulties, Tricon effected various cost-cutting measures, including staff reductions, a hold on new equipment purchases, performing only essential repairs on existing equipment, laying off staff between productions, consolidating offsite storage and reducing travel.

59. The majority of Tricon's production activities were also reduced, except for 'Counterfeit Cat' and 'The Lodge', each of which is believed to have positive value.

60. Tricon also undertook a process starting in early 2016 to solicit interest from investors or buyers, both directly and through intermediaries, which resulted in various letters of intent being submitted for investment in or acquisition of Tricon or parts of its business. Tricon continued to hold discussions with one of those parties, a strategic buyer, with a view to possibly completing a sale transaction in respect of some of Tricon's assets and business on a going-concern basis. Following protracted discussions, which included participation by SunTrust, it became apparent on or about December 7, 2016 that the parties were unable to conclude an agreement.

61. Tricon is facing a liquidity crisis which has necessitated this CCAA application. Based on its current projections, Tricon expects to have insufficient cash on hand to meet its day-to-day obligations during the week of December 12, 2016. Tricon also continues to be in an "overadvance" position on its borrowing base reports filed with SunTrust.

62. By letter dated November 21, 2016, a copy of which is attached hereto as **Exhibit J**, lawyers representing IFC and AMC notified TMI that (among other things) IFC and AMC terminated their

agreements with TMI, demanded the return of IFC programs, and demanded that TMI notify all sub-distributors and/or licensees that all gross receipts from the IFC programs be paid directly to IFC.

E. THE APPLICANTS MEET THE CCAA STATUTORY REQUIREMENTS

i. The Applicants are “Companies” under the CCAA.

63. Each of the Applicants is a “company” to which the CCAA applies. Specifically:

- (a) companies 1 to 39 listed in Schedule “A” are each incorporated under the *Business Corporations Act* (Ontario);
- (b) companies 40 to 45 listed in Schedule “A” are each incorporated under the laws of the State of California, U.S.A., but have assets in Canada in the form of cash in bank accounts recently opened in Canada; and
- (c) company 46 listed in Schedule “A” is incorporated under the laws of the United Kingdom but has assets in Canada in the form of cash in a bank account in Canada.

64. Also, as set out above, all of the Applicants other than TFT are directly or indirectly wholly-owned by TFT and are integrally and closely interrelated to TFT such that it is necessary that they are included in the protections and authorizations provided by the proposed initial order. Without limiting the generality of the foregoing, all of the Applicants are jointly and severally liable for repayment of the SunTrust debt, and have the same director and officer and management.

ii. The Applicants have claims against them in excess of \$5 million.

65. As explained above, the Applicants have debts well in excess of \$5 million in the aggregate.

iii. The Applicants are insolvent.

66. SunTrust is in a position to demand payment of all amounts owed by Tricon totaling approximately USD \$10.4 million, and the Applicants do not have the ability to pay those amounts.

67. Also as shown in Tricon's financial statements, its liabilities substantially exceed the book value of its assets.

68. Tricon will run out of liquidity to generally fund its operations during the week of December 12, 2016. Its current liquidity is subject to SunTrust's discretion to continue advancing new funds or authorizing Tricon to use funds generated from its collateral (i.e. accounts receivable collections) to fund operations in light of Tricon's "over-advance" position.

F. RELIEF SOUGHT

i. Stay Of Proceedings

69. The Applicants require a stay of proceedings in order to provide the necessary breathing space to wind down their business in an orderly manner including, potentially, completing certain productions, while preserving their tax credits which have significant value. During the CCAA process, the Applicants intend to limit their production activities primarily to the completion of two television series, being 'Counterfeit Cat' and 'The Lodge'. Both of these productions are

substantially complete and have significant accounts receivable and tax credits which the Applicants wish to preserve and collect.

70. The Applicants also need the stay of proceedings in order to allow them an opportunity to determine whether there are other potential buyers for all or part of their business and assets, including the sale or other form of realization with respect to the Tricon film library.

71. Without a stay of proceedings and the interim financing described below, material production and distribution contracts may be terminated due to Tricon's insolvency and other defaults, payroll and rent obligations will not be met in the near term, Tricon's ability to collect its tax credits and accounts receivable will be impaired.

ii. Appointment Of Monitor

72. KSV Kofman Inc. ("**KSV**") has consented to act as the monitor of the Applicants under the CCAA.

73. KSV is a trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act*, as amended, and is not subject to any of the restrictions on who may be appointed as Monitor set out in section 11.7(2) of the CCAA.

74. I am advised by Robert Kofman of KSV that the proposed Monitor is supportive of the relief being sought in favour of the Applicants. Mr. Kofman has also advised me that the proposed Monitor will be filing a pre-filing Monitor's report in respect of that relief.

iii. Interim Financing

75. The Applicants have insufficient liquidity to maintain operations through the proposed CCAA proceedings.

76. Tricon received an offer for interim financing from SunTrust which it evaluated with the assistance of its counsel and KSV, considering, among other things, the costs and fees associated with the proposal, the priority ranking of charges securing the proposed interim financing and the Applicants' liquidity requirements during the CCAA proceedings.

77. After evaluating the financing proposal from SunTrust with a view to the best interests of the Applicants and their stakeholders, Tricon negotiated with SunTrust to finalize the terms of the proposed financing. I understand that a copy of the finalized term sheet (the "**DIP Term Sheet**") setting out the terms of the interim financing facility provided by SunTrust (the "**DIP Facility**") will be attached to a report filed with the Court by KSV.

78. The DIP Facility is provided on terms that are fair and reasonable and is the product of an arms' length negotiation and compromise.

79. It is contemplated that all obligations of the Applicants under the DIP Term Sheet are to be secured by a Court-ordered charge (the "**DIP Lender's Charge**") over all present and after-acquired property, assets and undertakings of the Applicants, ranking in priority to all other obligations other than the Administration Charge, statutory super priority deemed trusts and liens for unpaid source deductions and such other permitted priority encumbrances as may be agreed to in writing by the DIP Lender.

80. For the reasons more fully detailed in KSV's report to be filed as proposed monitor, I understand that the proposed monitor supports approval of the DIP Term Sheet.

iv. Administration Charge

81. It is contemplated that the proposed Monitor, counsel to the proposed Monitor and counsel to the Applicants would be granted a first priority court-ordered charge on the assets, property and undertaking of the Applicants in priority to all claims (the "**Administration Charge**"), up to the maximum amount of \$500,000 in respect of their fees and disbursements, incurred at standard rates and charges. The Applicants believe that the Administration Charge is fair and reasonable in the circumstances.

v. Directors' Charge

82. The following expenses giving rise to director liability are expected to be incurred by the Applicants going forward:

- (a) wages and vacation pay;
- (b) source deductions payable to CRA; and
- (c) HST remittances to CRA.

83. I understand that inquiries have been made through the Applicants' insurance brokers in an effort to obtain director's liability coverage in connection with the exposure faced by the directors during these CCAA proceedings. The premium estimates provided by such insurers make purchasing any such insurance prohibitive.

84. Since the Applicants are unable to obtain directors insurance at a reasonable cost, the Applicants are seeking a director's charge in the amount of \$250,000 ranking in priority to all security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise, other than the Administration Charge and the DIP Lender's Charge.

G. POTENTIAL U.S. CHAPTER 15 PROCEEDING

85. Should the Initial Order be granted by this Court, the Applicants may commence proceedings under Chapter 15 of Title 11 of the United States Code in the United States Bankruptcy Court for the Central District of California. It is proposed that KSV (as monitor, if appointed) would act as the Applicants' Chapter 15 "foreign representative" if such a proceeding is commenced.

H. PROJECTED CASH FLOW STATEMENT

86. The Applicants are working diligently with the DIP Lender and its financial advisor and the proposed monitor, KSV, to finalize a projected cash flow statement to be filed with the Court in accordance with Section 10(2) of the CCAA. A copy of the cash flow statement will be appended to KSV's pre-filing report, together with management's and the proposed monitor's statutory reports thereon.

I. CONCLUSION

87. For the reasons set out above, I believe that it is in the interests of the Applicants and all of their stakeholders that the relief sought by the Applicants is granted.

I. CONCLUSION

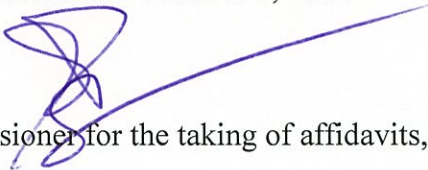
87. For the reasons set out above, I believe that it is in the interests of the Applicants and all of their stakeholders that the relief sought by the Applicants is granted.

SWORN before me at the City)
of Toronto, Province of)
Ontario, this 9th day)
of December, 2016)
)
)
)
)
)
A Commissioner, Etc.)



Andrea Gorfolova

This is Exhibit "A" to the Affidavit of Andrea Gorfolova
sworn on December 9, 2016



A Commissioner for the taking of affidavits, etc.

**1462598 Ontario Inc
d/b/a Tricon Film and Television
Ontario, Canada**

LOCAL SUBS

FOREIGN SUBS

Operator Post Inc.	Ontario, Canada
Tricon Education Inc.	Ontario, Canada
Tricon Films Inc.	Ontario, Canada
Tricon Interactive Inc.	Ontario, Canada
Tricon Television Inc.	Ontario, Canada
Tricon Television10 Inc.	Ontario, Canada
Tricon Television44 Inc.	Ontario, Canada
Tricon Television49 Inc.	Ontario, Canada
Tricon Television54 Inc.	Ontario, Canada
Tricon Television55 Inc.	Ontario, Canada
Tricon Television58 Inc.	Ontario, Canada
Tricon Television59 Inc.	Ontario, Canada
Tricon Television62 Inc.	Ontario, Canada
Tricon Television63 Inc.	Ontario, Canada
Tricon Television64 Inc.	Ontario, Canada
Tricon Television65 Inc.	Ontario, Canada
Tricon Television66 Inc.	Ontario, Canada
Tricon Television67 Inc.	Ontario, Canada
Tricon Television68 Inc.	Ontario, Canada
Tricon Television69 Inc.	Ontario, Canada
Tricon Television70 Inc.	Ontario, Canada
Tricon Television71 Inc.	Ontario, Canada
Tricon Television72 Inc.	Ontario, Canada
Tricon Television73 Inc.	Ontario, Canada
Tricon Television74 Inc.	Ontario, Canada
Tricon Television75 Inc.	Ontario, Canada
Tricon Television76 Inc.	Ontario, Canada
Tricon Television77 Inc.	Ontario, Canada
Tricon Television78 Inc.	Ontario, Canada
Tricon Television79 Inc.	Ontario, Canada
Tricon Television80 Inc.	Ontario, Canada
Tricon Television81 Inc.	Ontario, Canada
Tricon Television82 Inc.	Ontario, Canada
Tricon Television83 Inc.	Ontario, Canada
Tricon Television84 Inc.	Ontario, Canada
Tricon Television85 Inc.	Ontario, Canada
Tricon Television86 Inc.	Ontario, Canada
Tricon Television87 Inc.	Ontario, Canada
Tricon Television88 Inc.	Ontario, Canada
Tricon Television89 Inc.	Ontario, Canada
Tricon Television90 Inc.	Ontario, Canada

Tricon Film (UK)
Limited
London, England

Tricon Media
Holding Inc.
California, US

Tricon Media, Inc.
California, US

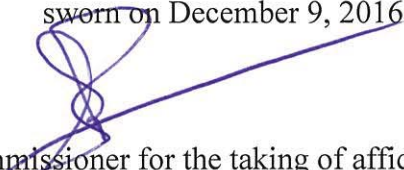
Tricon Media
Productions Inc.
California, US

Tricon US
Productions1 Inc.
California, US

Tricon US
Productions 14 Inc
California, US.

Tricon US
Productions 15 Inc.
California, US

This is Exhibit "B" to the Affidavit of Andrea Gorfolova
sworn on December 9, 2016



A Commissioner for the taking of affidavits, etc.

Tricon - List of Companies

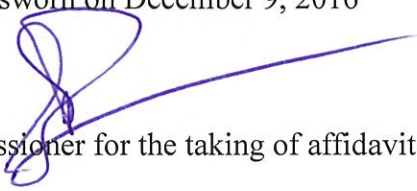
	Corporation	Jurisdiction
1.	1462598 Ontario Inc.	Ontario
2.	Operator Post Inc.	Ontario
3.	Tricon Education Inc.	Ontario
4.	Tricon Films Inc.	Ontario
5.	Tricon Interactive Inc.	Ontario
6.	Tricon Television Inc.*	Ontario
7.	Tricon Television10 Inc.	Ontario
8.	Tricon Television44 Inc.	Ontario
9.	Tricon Television49 Inc.	Ontario
10.	Tricon Television54 Inc.	Ontario
11.	Tricon Television55 Inc.	Ontario
12.	Tricon Television58 Inc.	Ontario
13.	Tricon Television59 Inc.	Ontario
14.	Tricon Television62 Inc.	Ontario
15.	Tricon Television63 Inc.	Ontario
16.	Tricon Television64 Inc.	Ontario
17.	Tricon Television65 Inc.	Ontario
18.	Tricon Television66 Inc.	Ontario
19.	Tricon Television67 Inc.	Ontario
20.	Tricon Television68 Inc.	Ontario
21.	Tricon Television69 Inc.	Ontario
22.	Tricon Television70 Inc.	Ontario
23.	Tricon Television71 Inc.	Ontario
24.	Tricon Television72 Inc.	Ontario
25.	Tricon Television73 Inc.	Ontario
26.	Tricon Television74 Inc.	Ontario
27.	Tricon Television75 Inc.	Ontario
28.	Tricon Television76 Inc.	Ontario
29.	Tricon Television77 Inc.	Ontario
30.	Tricon Television78 Inc.	Ontario
31.	Tricon Television79 Inc.	Ontario
32.	Tricon Television80 Inc.	Ontario
33.	Tricon Television81 Inc.	Ontario
34.	Tricon Television82 Inc.	Ontario
35.	Tricon Television83 Inc.	Ontario
36.	Tricon Television84 Inc.	Ontario
37.	Tricon Television85 Inc.	Ontario
38.	Tricon Television86 Inc.	Ontario
39.	Tricon Television87 Inc.	Ontario
40.	Tricon Television88 Inc.	Ontario
41.	Tricon Television89 Inc.	Ontario

42.	Tricon Television90 Inc.	Ontario
43.	Tricon Media Holdings, Inc.	California
44.	Tricon Media Productions, Inc.	California
45.	Tricon Media, Inc.	California
46.	Tricon US Productions1 Inc.	California
47.	Tricon US Productions14 Inc.	California
48.	Tricon US Productions15 Inc.	California
49.	Tricon Films (UK) Limited	UK

* On June 1, 2016, Tricon Television Inc. (#1936333) amalgamated with the following companies to become Tricon Television Inc. (#1955547):

Tricon Television31 Inc.
Tricon Television33 Inc.
Tricon Television40 Inc.
Tricon Television43 Inc.
Tricon Television46 Inc.
Tricon Television47 Inc.
Tricon Television48 Inc.
Tricon Television50 Inc.
Tricon Television51 Inc.
Tricon Television52 Inc.
Tricon Television53 Inc.
Tricon Television56 Inc.
Tricon Television57 Inc.
Tricon Television60 Inc.
Tricon Television61 Inc.

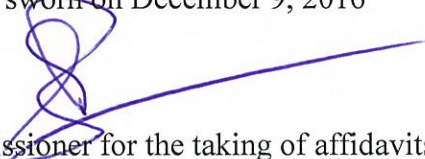
This is Exhibit "C" to the Affidavit of Andrea Gorfolova
sworn on December 9, 2016


A Commissioner for the taking of affidavits, etc.

Tricon Films & Television
Bank accounts

Name	Bank	Transit #	Currency	Purpose	Business Purpose/Production
1462598 Ontario Inc.	TD Canada Trust	1020	CAD	Chequing	Corporate
1462598 Ontario Inc.	TD Canada Trust	1968	USD	Chequing	Corporate
Tricon Films Inc.	TD Canada Trust	1020	CAD	Deposits only	Distribution
Tricon Films Inc.	TD Canada Trust	1020	CAD	Chequing	Distribution
Tricon Television10 Inc.	TD Canada Trust	1020	CAD	Chequing	Development
Tricon Television Inc.	TD Canada Trust	1020	CAD	Chequing	Amalgamation
Tricon Education Inc.	TD Canada Trust	1020	CAD	Chequing	Educational Videos
Tricon Films Inc.	TD Canada Trust	1020	USD	Chequing	Distribution
Operator Post Inc.	TD Canada Trust	1968	CAD	Chequing	Post Production
Tricon Interactive Inc.	TD Canada Trust	1968	CAD	Chequing	Website for RP productions
Tricon Television85 Inc.	TD Canada Trust	1104	CAD	Chequing	Expandables 2
Tricon Television71 Inc.	TD Canada Trust	1968	CAD	Chequing	A Bryk at a Time + Flip Addict
Tricon Television70 Inc.	TD Canada Trust	1968	CAD	Chequing	Expandables 1
Tricon Television65 Inc.	TD Canada Trust	1968	CAD	Chequing	Alien/Conspiracy
Tricon Television72 Inc.	TD Canada Trust	1968	CAD	Chequing	Hollywood Cycle + Misc CAD prod'ns
Tricon Television64 Inc.	TD Canada Trust	1968	CAD	Chequing	Breakneck Builds
Tricon Television73 Inc.	TD Canada Trust	1968	CAD	Chequing	Ex-Wives of Rock Season 3
Tricon Television77 Inc.	TD Canada Trust	1968	CAD	Chequing	The Next Star Season 7
Tricon Television74 Inc.	TD Canada Trust	1968	CAD	Chequing	Sex with Sunny Megatron
Tricon Television75 Inc.	TD Canada Trust	1968	CAD	Chequing	Summer Beach Bash 1
Tricon Television68 Inc.	TD Canada Trust	1968	CAD	Chequing	Mission 4 Count
Tricon Television78 Inc.	TD Canada Trust	1968	CAD	Chequing	Off the Map with Shannon and Holly
Tricon Television83 Inc.	TD Canada Trust	1968	CAD	Chequing	Incredible Food Race
Tricon Television76 Inc.	TD Canada Trust	1968	CAD	Chequing	Power & Ice
Tricon Television79 Inc.	TD Canada Trust	1968	CAD	Chequing	On the Record with Mick Rock
Tricon Television82 Inc.	TD Canada Trust	1968	CAD	Chequing	Counterfeit Cat
Tricon Television86 Inc.	TD Canada Trust	1968	CAD	Chequing	Humble Home Hunters
Tricon Television81 Inc.	TD Canada Trust	1968	CAD	Chequing	Apres Ski
Tricon Television84 Inc.	TD Canada Trust	1968	CAD	Chequing	Summer Beach Bash 2
Tricon Television87 Inc.	TD Canada Trust	1968	CAD	Chequing	Food's Greatest Hits
Tricon Television80 Inc.	TD Canada Trust	1968	CAD	Chequing	The Lodge
Tricon Television72 Inc.	TD Canada Trust	1968	USD	Chequing	Hollywood Cycle + Misc CAD prod'ns
Tricon Television76 Inc.	TD Canada Trust	1968	USD	Chequing	Power & Ice
Tricon Television81 Inc.	TD Canada Trust	1968	USD	Chequing	Apres Ski
Tricon Television79 Inc.	TD Canada Trust	1968	USD	Chequing	On the Record with Mick Rock
Tricon Television80 Inc.	TD Canada Trust	1968	USD	Chequing	The Lodge
1462598 Ontario Inc.	Sun Trust		CAD	Chequing	Corporate
Tricon Media Holdings Inc.	Sun Trust		USD	Chequing	Holding
Tricon Media Productions Inc.	Sun Trust		USD	Chequing	Production
Tricon Media Inc.	Sun Trust		USD	Chequing	Distribution
Tricon US Productions 14 Inc.	Sun Trust		USD	Chequing	Power & Ice
Tricon Films (UK) Limited	Coutts		USD	Chequing	Distribution
Tricon Films (UK) Limited	Coutts		Euro	Chequing	Distribution
Tricon Films (UK) Limited	Coutts		GBP	Chequing	Distribution

This is Exhibit "D" to the Affidavit of Andrea Gorfolova
sworn on December 9, 2016



A Commissioner for the taking of affidavits, etc.

TRIAL BALANCE - CONSOLIDATED
AS AT MAY 31, 2016

	1462598 Ont CDN\$	Op Post CDN\$	TFI CDN\$	Education CDN\$	Interactive CDN\$	Tricon TV Amalco CDN\$	TV10 CDN\$
Balance Sheet							
Assets							
Cash	327,780.27	6,039.02	3,702.30	443.30	15,717.62	403.50	1,520.58
Accounts Receivable	-	-	1,678,968.09	-	1,313.00	-	-
Taxes Receivable	-	-	-	-	-	-	-
Prepaid Expenses and Other Assets	40,226.04	3,092.81	49,999.60	-	-	-	-
Investment in Affiliates	23,256.00	-	-	-	-	-	-
Due From (To) Affiliates	16,749,289.13	1,432,298.82	(1,440,549.73)	11,355.14	(27,836.00)	901,198.36	(1,172,134.41)
TV Programs in Development	-	-	-	-	-	-	872,592.46
TV Programs in Progress	-	-	-	-	-	-	201,867.21
Investment in TV Programs, net	-	-	3,419,754.76	-	-	-	-
Fixed Assets, net	196,218.37	410,712.19	22,860.58	-	-	-	278.35
Deferred Income Taxes	-	-	-	-	-	-	-
Liabilities							
Bank Indebtedness	-	-	-	-	-	-	-
Accounts Payable and Accruals	(180,792.91)	(42,250.59)	(3,193,903.98)	-	-	-	(69,783.09)
Government Liabilities	16,853.37	29,637.36	(17,011.77)	693.23	-	-	13,133.86
Current Portion of Lease Obligations	-	(6,649.64)	-	-	-	-	-
Loans Payable	(15,650,649.22)	-	-	-	-	-	-
Deferred Revenue	-	-	(90,912.04)	-	-	-	(62,480.00)
Lease Obligations	-	(2,217.00)	-	-	-	-	-
Shareholder Loan	-	-	-	-	-	-	-
Due to Related Parties	(2,623,457.68)	-	-	-	-	-	-
Long-term Liabilities	-	-	-	-	-	-	-
Shareholder's Equity							
Capital	(2.00)	(100.00)	(1.00)	(1.00)	(1.00)	(66.00)	(1.00)
Opening Retained Earnings	706,009.28	(752,660.86)	520,207.06	5,247.49	-	(902,403.48)	192,969.77
Prior Period Adjustment	-	-	-	-	-	-	-
Comprehensive Income Adjustment	-	-	-	-	-	-	-
Net Income	395,269.35	(1,077,902.11)	(953,113.87)	(17,738.16)	10,806.38	867.62	22,036.27
<hr/>							
P&L Accounts							
Revenues							
Production Revenue	(3,260,268.58)	(2,424,704.40)	-	(78,486.00)	-	(325.00)	(299,430.00)
Distribution Revenue	-	-	(4,879,641.94)	-	-	-	-
Other Revenue	-	-	-	-	-	-	-
Other Interco Revenue	-	-	-	-	-	-	-
Expenses							
Advertising and Promotion	800.00	-	50,650.00	-	-	-	-
Automobile	2,989.06	-	-	-	-	-	5.50
Bank Charges	12,570.17	433.16	3,716.87	266.50	6.38	245.00	1,230.37
Interest Expense, net	1,760,857.22	273.66	5,666.58	0.41	-	(2.38)	275.96
Commissions	-	-	137,123.71	-	-	-	-
Subcontractor expense	37,500.00	-	-	-	-	-	-
Depreciation	68,836.19	145,585.96	14,075.19	-	-	-	340.20
Distribution	-	-	2,532,045.61	-	-	-	-
Equipment Lease	-	97,186.66	-	-	-	-	175.00
Insurance	44,179.12	5,625.23	20,473.25	-	-	-	-
Management Fees	5,297.47	-	-	-	-	-	(37,000.00)
Meals and Entertainment	3,199.41	-	1,550.27	-	-	-	3,275.21
Office and General	84,373.29	53,543.57	40,773.37	-	-	-	2,958.98
Production Costs	11,560.18	657,960.05	12,500.00	59,298.86	10,100.00	-	370,960.55
Professional Fees	71,615.66	-	9,347.96	900.00	700.00	950.00	7,327.50
Rent and Utilities	103,814.92	385,875.00	7,517.99	-	-	-	-
Repairs and Maintenance	6,364.40	-	-	-	-	-	-
Salaries, Wages and Benefits	1,068,938.20	78.40	746,856.86	-	-	-	3,923.53
Telephone	67,478.89	-	1,821.34	-	-	-	216.13
Travel	7,215.92	240.60	22,177.37	-	-	-	13,028.04
Foreign Exchange Loss (Gain)	297,947.83	-	120,231.70	282.07	-	-	(45,250.70)
Income Tax Provision	-	-	-	-	-	-	-
Write-down of Investment in TV Programs	-	-	200,000.00	-	-	-	-
Write-down of Deferred Financing Costs	-	-	-	-	-	-	-
Write-down of Deferred Income Taxes	-	-	-	-	-	-	-
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Net Income	395,269.35	(1,077,902.11)	(953,113.87)	(17,738.16)	10,806.38	867.62	22,036.27

**TRIAL BALANCE - CONSOLIDATED
AS AT MAY 31, 2016**

	TV31 TNS Web 2 CDN\$	TV33 Secrets Stylist CDN\$	TV40 BK 1 CDN\$	TV43 TNS 3 CDN\$	TV44 EWR 2 CDN\$	TV46 HJ Xmas CDN\$	TV47 TNS 4 CDN\$
Balance Sheet							
<i>Assets</i>							
Cash	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-
Taxes Receivable	-	-	-	-	-	-	-
Prepaid Expenses and Other Assets	-	-	-	-	-	-	-
Investment in Affiliates	-	-	-	-	-	-	-
Due From (To) Affiliates	975.11	(55,865.14)	(342.43)	8,593.02	143,780.22	1,890.50	34,511.42
TV Programs in Development	-	-	-	-	-	-	-
TV Programs in Progress	-	-	-	-	-	-	-
Investment in TV Programs, net	-	-	-	-	-	-	-
Fixed Assets, net	-	-	-	-	-	-	-
Deferred Income Taxes	-	-	-	-	-	-	-
<i>Liabilities</i>							
Bank Indebtedness	-	-	-	-	-	-	-
Accounts Payable and Accruals	-	-	-	-	-	-	-
Government Liabilities	-	-	-	24.62	-	-	1,151.69
Current Portion of Lease Obligations	-	-	-	-	-	-	-
Loans Payable	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-
Lease Obligations	-	-	-	-	-	-	-
Shareholder Loan	-	-	-	-	-	-	-
Due to Related Parties	-	-	-	-	-	-	-
Long-term Liabilities	-	-	-	-	-	-	-
<i>Shareholder's Equity</i>							
Capital	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)
Opening Retained Earnings	(497.23)	45,307.14	219.43	(10,134.49)	(143,779.22)	(1,889.50)	(27,108.91)
Prior Period Adjustment	-	-	-	-	-	-	-
Comprehensive Income Adjustment	-	-	-	-	-	-	-
Net Income	(476.88)	10,559.00	124.00	1,517.85	0.00	-	(8,553.20)
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	-	-	-	-	-	-	-
P&L Accounts							
<i>Revenues</i>							
Production Revenue	(476.88)	-	-	-	-	-	(18,000.00)
Distribution Revenue	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-
Other Interco Revenue	-	-	-	-	-	-	-
<i>Expenses</i>							
Advertising and Promotion	-	-	-	-	-	-	-
Automobile	-	-	-	-	-	-	-
Bank Charges	-	-	-	-	82.00	-	-
Interest Expense, net	-	-	-	-	(4,283.53)	-	-
Commissions	-	-	-	-	-	-	-
Subcontractor expense	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Distribution	-	-	-	-	-	-	-
Equipment Lease	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Management Fees	-	10,559.00	124.00	-	2,951.53	-	-
Meals and Entertainment	-	-	-	-	-	-	-
Office and General	-	-	-	-	-	-	-
Production Costs	-	-	-	1,517.85	-	-	9,446.80
Professional Fees	-	-	-	-	1,250.00	-	-
Rent and Utilities	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-
Salaries, Wages and Benefits	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Foreign Exchange Loss (Gain)	-	-	-	-	-	-	-
Income Tax Provision	-	-	-	-	-	-	-
Write-down of Investment in TV Programs	-	-	-	-	-	-	-
Write-down of Deferred Financing Costs	-	-	-	-	-	-	-
Write-down of Deferred Income Taxes	-	-	-	-	-	-	-
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Net Income	(476.88)	10,559.00	124.00	1,517.85	0.00	-	(8,553.20)

TRIAL BALANCE - CONSOLIDATED
AS AT MAY 31, 2016

	TV48 EWR 1 CDN\$	TV49 BK 2 CDN\$	TV50 Gamechangers CDN\$	TV51 Love Trap CDN\$	TV52 Pop-up Gour CDN\$	TV53 TNS 4 Web CDN\$	TV54 RMO 6 CDN\$
Balance Sheet							
<i>Assets</i>							
Cash	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-
Taxes Receivable	-	-	-	-	-	-	-
Prepaid Expenses and Other Assets	-	-	-	-	-	-	-
Investment in Affiliates	-	-	-	-	-	-	-
Due From (To) Affiliates	(32,112.31)	(501.02)	4,171.28	108,915.00	(4,605.54)	(1,699.21)	568,644.06
TV Programs in Development	-	-	-	-	-	-	-
TV Programs in Progress	-	-	-	-	-	-	-
Investment in TV Programs, net	-	-	-	-	-	-	-
Fixed Assets, net	-	-	-	-	-	-	-
Deferred Income Taxes	-	-	-	-	-	-	-
<i>Liabilities</i>							
Bank Indebtedness	-	-	-	-	-	-	-
Accounts Payable and Accruals	-	-	-	-	-	-	-
Government Liabilities	-	-	-	-	-	-	-
Current Portion of Lease Obligations	-	-	-	-	-	-	-
Loans Payable	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-
Lease Obligations	-	-	-	-	-	-	-
Shareholder Loan	-	-	-	-	-	-	-
Due to Related Parties	-	-	-	-	-	-	-
Long-term Liabilities	-	-	-	-	-	-	-
<i>Shareholder's Equity</i>							
Capital	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)
Opening Retained Earnings	17,877.36	(1,767.23)	(4,170.28)	(108,227.05)	4,536.54	1,626.21	(568,643.06)
Prior Period Adjustment	-	-	-	-	-	-	-
Comprehensive Income Adjustment	-	-	-	-	-	-	-
Net Income	14,235.95	2,269.25	-	(686.95)	70.00	74.00	-
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P&L Accounts							
<i>Revenues</i>							
Production Revenue	-	(1,543.75)	-	-	-	-	-
Distribution Revenue	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-
Other Interco Revenue	-	-	-	-	-	-	-
<i>Expenses</i>							
Advertising and Promotion	-	-	-	-	-	-	-
Automobile	-	-	-	-	-	-	-
Bank Charges	(19.05)	-	-	-	70.00	74.00	-
Interest Expense, net	-	-	-	(686.95)	-	-	-
Commissions	-	-	-	-	-	-	-
Subcontractor expense	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Distribution	-	-	-	-	-	-	-
Equipment Lease	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Management Fees	14,255.00	3,813.00	-	-	-	-	-
Meals and Entertainment	-	-	-	-	-	-	-
Office and General	-	-	-	-	-	-	-
Production Costs	-	-	-	-	-	-	-
Professional Fees	-	-	-	-	-	-	-
Rent and Utilities	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-
Salaries, Wages and Benefits	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Foreign Exchange Loss (Gain)	-	-	-	-	-	-	-
Income Tax Provision	-	-	-	-	-	-	-
Write-down of Investment in TV Programs	-	-	-	-	-	-	-
Write-down of Deferred Financing Costs	-	-	-	-	-	-	-
Write-down of Deferred Income Taxes	-	-	-	-	-	-	-
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Net Income	14,235.95	2,269.25	-	(686.95)	70.00	74.00	-

TRIAL BALANCE - CONSOLIDATED
AS AT MAY 31, 2016

	TV55 TNS 6 CDN\$	TV56 305 Films CDN\$	TV57 Bryk 1 CDN\$	TV58 FUC 2 CDN\$	TV59 TNS 5 CDN\$	TV60 Love Trap 2 CDN\$	TV61 TNS 5 Web CDN\$
Balance Sheet							
<i>Assets</i>							
Cash	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-
Taxes Receivable	-	-	-	-	-	-	-
Prepaid Expenses and Other Assets	-	-	-	-	-	-	-
Investment in Affiliates	-	-	-	-	-	-	-
Due From (To) Affiliates	156,711.69	(1,242.16)	(15,407.15)	38,670.08	69,579.53	(1,035.36)	(694.73)
TV Programs in Development	-	-	-	-	-	-	-
TV Programs in Progress	-	-	-	-	-	-	-
Investment in TV Programs, net	-	-	-	-	-	-	-
Fixed Assets, net	-	-	-	-	-	-	-
Deferred Income Taxes	-	-	-	-	-	-	-
<i>Liabilities</i>							
Bank Indebtedness	-	-	-	-	-	-	-
Accounts Payable and Accruals	-	-	-	-	-	-	-
Government Liabilities	-	-	-	-	1,453.31	-	-
Current Portion of Lease Obligations	-	-	-	-	-	-	-
Loans Payable	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-
Lease Obligations	-	-	-	-	-	-	-
Shareholder Loan	-	-	-	-	-	-	-
Due to Related Parties	-	-	-	-	-	-	-
Long-term Liabilities	-	-	-	-	-	-	-
<i>Shareholder's Equity</i>							
Capital	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)
Opening Retained Earnings	(165,887.39)	1,243.16	15,787.15	(35,860.81)	(86,571.63)	1,036.36	159.23
Prior Period Adjustment	-	-	-	-	-	-	-
Comprehensive Income Adjustment	-	-	-	-	-	-	-
Net Income	9,176.70	-	(379.00)	(2,808.27)	15,539.79	-	536.50
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	-	-	-	-	-	-	-
P&L Accounts							
<i>Revenues</i>							
Production Revenue	-	-	(1.00)	-	-	-	-
Distribution Revenue	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-
Other Interco Revenue	-	-	-	-	-	-	-
<i>Expenses</i>							
Advertising and Promotion	-	-	-	-	-	-	-
Automobile	-	-	-	-	-	-	-
Bank Charges	56.00	-	-	85.00	193.50	-	36.50
Interest Expense, net	-	-	-	(2,893.27)	-	-	-
Commissions	-	-	-	-	-	-	-
Subcontractor expense	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Distribution	-	-	-	-	-	-	-
Equipment Lease	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Management Fees	-	-	-	-	-	-	-
Meals and Entertainment	-	-	-	-	-	-	-
Office and General	-	-	-	-	-	-	-
Production Costs	9,120.70	-	-	-	15,346.29	-	-
Professional Fees	-	-	-	-	-	-	500.00
Rent and Utilities	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-
Salaries, Wages and Benefits	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Foreign Exchange Loss (Gain)	-	-	-	-	-	-	-
Income Tax Provision	-	-	(378.00)	-	-	-	-
Write-down of Investment in TV Programs	-	-	-	-	-	-	-
Write-down of Deferred Financing Costs	-	-	-	-	-	-	-
Write-down of Deferred Income Taxes	-	-	-	-	-	-	-
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Net Income	9,176.70	-	(379.00)	(2,808.27)	15,539.79	-	536.50

TRIAL BALANCE - CONSOLIDATED
AS AT MAY 31, 2016

	TV62 BK 3 CDN\$	TV63 TNS 6 Web CDN\$	TV64 Breakneck Builds CDN\$	TV65 Alien Files CDN\$	TV66 TNS SG CDN\$	TV67 TNS SG Web CDN\$	TV68 4Count CDN\$
Balance Sheet							
<i>Assets</i>							
Cash	-	-	1,184.83	418.35	-	-	865.08
Accounts Receivable	-	-	38,500.00	127,624.50	-	-	-
Taxes Receivable	-	-	991,342.00	285,484.00	-	-	274,795.00
Prepaid Expenses and Other Assets	-	-	-	-	-	-	-
Investment in Affiliates	-	-	-	-	-	-	-
Due From (To) Affiliates	(841.38)	(3,282.26)	(717,618.53)	(261,648.85)	28,339.65	(290.61)	(276,279.93)
TV Programs in Development	-	-	-	-	-	-	-
TV Programs in Progress	-	-	-	-	-	-	-
Investment in TV Programs, net	-	-	375,000.00	-	-	-	-
Fixed Assets, net	-	-	-	-	-	-	-
Deferred Income Taxes	-	-	-	-	-	-	-
<i>Liabilities</i>							
Bank Indebtedness	-	-	-	-	-	-	-
Accounts Payable and Accruals	-	-	(10,000.00)	-	-	-	-
Government Liabilities	-	764.99	(786.50)	-	205.05	-	337.84
Current Portion of Lease Obligations	-	-	-	-	-	-	-
Loans Payable	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-
Lease Obligations	-	-	-	-	-	-	-
Shareholder Loan	-	-	-	-	-	-	-
Due to Related Parties	-	-	(22,600.00)	-	-	-	-
Long-term Liabilities	-	-	-	-	-	-	-
<i>Shareholder's Equity</i>							
Capital	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)
Opening Retained Earnings	-	23.77	(39,000.00)	(152,491.19)	(35,178.12)	32.42	(5,133.82)
Prior Period Adjustment	-	-	-	-	-	-	-
Comprehensive Income Adjustment	-	-	-	-	-	-	-
Net Income	842.38	2,494.50	(616,020.80)	614.19	6,634.42	259.19	5,416.83
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	-	-	-	-	-	-	-
P&L Accounts							
<i>Revenues</i>							
Production Revenue	(10,410.18)	-	(2,939,808.33)	-	-	-	(17,400.00)
Distribution Revenue	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-
Other Interco Revenue	-	-	-	-	-	-	-
<i>Expenses</i>							
Advertising and Promotion	-	-	-	-	-	-	-
Automobile	-	-	-	-	-	-	-
Bank Charges	93.00	7.50	-	14.19	24.85	9.19	48.16
Interest Expense, net	-	-	-	-	(1,066.76)	-	-
Commissions	-	-	-	-	-	-	-
Subcontractor expense	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Distribution	-	-	-	-	-	-	-
Equipment Lease	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Management Fees	-	-	-	-	-	-	-
Meals and Entertainment	-	-	-	-	-	-	-
Office and General	-	-	-	-	-	-	-
Production Costs	11,159.56	1,987.00	2,323,787.53	-	7,676.33	-	22,768.67
Professional Fees	-	500.00	-	600.00	-	250.00	-
Rent and Utilities	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-
Salaries, Wages and Benefits	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Foreign Exchange Loss (Gain)	-	-	-	-	-	-	-
Income Tax Provision	-	-	-	-	-	-	-
Write-down of Investment in TV Programs	-	-	-	-	-	-	-
Write-down of Deferred Financing Costs	-	-	-	-	-	-	-
Write-down of Deferred Income Taxes	-	-	-	-	-	-	-
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Net Income	842.38	2,494.50	(616,020.80)	614.19	6,634.42	259.19	5,416.83

TRIAL BALANCE - CONSOLIDATED
AS AT MAY 31, 2016

	TV69 Go Away Uni CDN\$	TV70 Expandables CDN\$	TV71 Bryk 2 CDN\$	TV72 Spun Out CDN\$	TV73 EWR 3 CDN\$	TV74 Sunny Megatron CDN\$	TV75 Summer BB CDN\$
Balance Sheet							
<i>Assets</i>							
Cash	-	289.16	370.36	1,304.30	351.02	11,526.47	684.51
Accounts Receivable	-	-	-	-	-	136,000.00	-
Taxes Receivable	-	998,173.00	960,113.08	-	1,379,356.00	484,150.00	192,413.00
Prepaid Expenses and Other Assets	-	-	-	-	-	-	-
Investment in Affiliates	-	-	-	-	-	-	-
Due From (To) Affiliates	1.00	(1,007,260.09)	(965,255.53)	(1,264.67)	(1,382,055.74)	(624,451.96)	(163,949.40)
TV Programs in Development	-	-	-	-	-	-	-
TV Programs in Progress	-	-	-	-	-	-	-
Investment in TV Programs, net	-	-	-	-	-	-	-
Fixed Assets, net	-	-	-	-	-	-	-
Deferred Income Taxes	-	-	-	-	-	-	-
<i>Liabilities</i>							
Bank Indebtedness	-	-	-	-	-	-	-
Accounts Payable and Accruals	-	-	-	(2,017.40)	-	(11,300.00)	-
Government Liabilities	-	-	-	65.00	-	-	-
Current Portion of Lease Obligations	-	-	-	-	-	-	-
Loans Payable	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-
Lease Obligations	-	-	-	-	-	-	-
Shareholder Loan	-	-	-	-	-	-	-
Due to Related Parties	-	-	-	-	-	-	-
Long-term Liabilities	-	-	-	-	-	-	-
<i>Shareholder's Equity</i>							
Capital	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)
Opening Retained Earnings	-	672.22	4,538.56	-	(0.97)	2,068.59	(30,493.23)
Prior Period Adjustment	-	-	-	-	-	-	-
Comprehensive Income Adjustment	-	-	-	-	-	-	-
Net Income	-	8,126.71	234.53	1,913.77	2,350.69	2,007.90	1,346.12
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P&L Accounts							
<i>Revenues</i>							
Production Revenue	-	(9,140.00)	(7,863.86)	-	(13,000.00)	(15,221.00)	(12,300.00)
Distribution Revenue	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-
Other Interco Revenue	-	-	-	-	-	-	-
<i>Expenses</i>							
Advertising and Promotion	-	-	-	-	-	-	-
Automobile	-	-	-	-	-	-	-
Bank Charges	-	40.66	29.43	-	-	37.94	34.41
Interest Expense, net	-	-	-	-	40.04	-	-
Commissions	-	-	-	-	-	-	-
Subcontractor expense	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Distribution	-	-	-	-	-	-	-
Equipment Lease	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Management Fees	-	-	-	-	-	-	-
Meals and Entertainment	-	-	-	-	-	-	-
Office and General	-	-	-	-	-	-	-
Production Costs	-	17,226.05	8,068.96	1,913.77	15,581.35	17,190.96	13,611.71
Professional Fees	-	-	-	-	-	-	-
Rent and Utilities	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-
Salaries, Wages and Benefits	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Foreign Exchange Loss (Gain)	-	-	-	-	(270.70)	-	-
Income Tax Provision	-	-	-	-	-	-	-
Write-down of Investment in TV Programs	-	-	-	-	-	-	-
Write-down of Deferred Financing Costs	-	-	-	-	-	-	-
Write-down of Deferred Income Taxes	-	-	-	-	-	-	-
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Net Income	-	8,126.71	234.53	1,913.77	2,350.69	2,007.90	1,346.12

**TRIAL BALANCE - CONSOLIDATED
AS AT MAY 31, 2016**

	TV76 LOTL CDN\$	TV77 TNS 7 CDN\$	TV78 Shannen & Holly CDN\$	TV79 Mick Rock CDN\$	TV80 Apres Ski 2 CDN\$	TV81 Apres Ski CDN\$	TV82 Counterfeit Cat CDN\$
Balance Sheet							
<i>Assets</i>							
Cash	74.23	212.28	59.10	342.37	89,118.39	5,500.64	47,472.85
Accounts Receivable	-	-	-	-	613,540.13	-	1,266,383.00
Taxes Receivable	448,468.00	-	194,018.00	141,568.00	-	-	937,460.00
Prepaid Expenses and Other Assets	-	-	-	-	-	-	(88,590.00)
Investment in Affiliates	-	-	-	-	-	-	-
Due From (To) Affiliates	(468,898.86)	267,397.48	(168,691.59)	(788,592.45)	(26,035.38)	213,169.48	(1,056,286.00)
TV Programs in Development	-	-	-	-	-	-	-
TV Programs in Progress	-	-	-	-	2,878,959.73	-	533,275.52
Investment in TV Programs, net	-	-	-	130,000.00	-	-	200,000.00
Fixed Assets, net	-	-	-	-	-	-	-
Deferred Income Taxes	-	-	-	-	-	-	-
<i>Liabilities</i>							
Bank Indebtedness	-	-	-	-	-	-	-
Accounts Payable and Accruals	-	(217.53)	-	(27,652.57)	(223,728.88)	(37,830.62)	(201,248.12)
Government Liabilities	-	2,100.80	-	176.34	80,662.37	3,193.37	56,351.77
Current Portion of Lease Obligations	-	-	-	-	-	-	-
Loans Payable	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	(3,412,515.36)	-	(1,174,500.00)
Lease Obligations	-	-	-	-	-	-	-
Shareholder Loan	-	-	-	-	-	-	-
Due to Related Parties	-	(170,000.00)	-	(30,000.00)	-	-	-
Long-term Liabilities	-	-	-	-	-	-	-
<i>Shareholder's Equity</i>							
Capital	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)
Opening Retained Earnings	-	(97,445.41)	-	215,964.60	-	-	-
Prior Period Adjustment	-	-	-	-	-	-	-
Comprehensive Income Adjustment	-	-	-	-	-	-	-
Net Income	20,357.63	(2,046.62)	(25,384.51)	358,194.71	-	(184,031.87)	(520,317.82)
	-	-	-	-	-	-	0.20
P&L Accounts							
<i>Revenues</i>							
Production Revenue	(2,452,112.30)	(90,690.00)	-	-	-	(6,356,589.71)	(1,266,383.00)
Distribution Revenue	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-
Other Interco Revenue	-	-	-	-	-	-	-
<i>Expenses</i>							
Advertising and Promotion	-	-	-	-	-	-	-
Automobile	-	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-	-
Interest Expense, net	(352.06)	(6,435.08)	-	(3.08)	-	(6.47)	(14.34)
Commissions	-	-	-	-	-	-	-
Subcontractor expense	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Distribution	-	-	-	-	-	-	-
Equipment Lease	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Management Fees	-	-	-	-	-	-	-
Meals and Entertainment	-	-	-	-	-	-	-
Office and General	-	-	-	-	-	-	-
Production Costs	2,466,611.30	95,078.46	14,299.76	358,774.90	-	6,174,194.56	745,368.00
Professional Fees	-	-	-	-	-	-	-
Rent and Utilities	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-
Salaries, Wages and Benefits	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Foreign Exchange Loss (Gain)	2,735.69	-	(39,684.27)	(577.11)	-	(1,630.25)	711.52
Income Tax Provision	3,475.00	-	-	-	-	-	-
Write-down of Investment in TV Programs	-	-	-	-	-	-	-
Write-down of Deferred Financing Costs	-	-	-	-	-	-	-
Write-down of Deferred Income Taxes	-	-	-	-	-	-	-
Net Income	20,357.63	(2,046.62)	(25,384.51)	358,194.71	-	(184,031.87)	(520,317.82)

TRIAL BALANCE - CONSOLIDATED
AS AT MAY 31, 2016

	TV83 TIFR CDN\$	TV84 SBB 2 CDN\$	TV85 Expandables 2 CDN\$	TV86 HHH CDN\$	TV87 FGH CDN\$	TV88 TBD CDN\$	TV89 TBD CDN\$
Balance Sheet							
<i>Assets</i>							
Cash	622.93	1,806.36	13,530.15	1,932.05	3,805.47	-	-
Accounts Receivable	79,974.30	55,087.15	118,379.04	119,830.80	-	-	-
Taxes Receivable	829,430.00	209,087.00	1,103,123.00	566,280.00	535,764.00	-	-
Prepaid Expenses and Other Assets	-	-	-	-	-	-	-
Investment in Affiliates	-	-	-	-	-	-	-
Due From (To) Affiliates	(1,105,432.23)	(226,403.89)	(1,992,740.39)	(711,493.32)	(433,540.21)	1.00	1.00
TV Programs in Development	-	-	-	-	-	-	-
TV Programs in Progress	-	-	-	-	344,476.90	-	-
Investment in TV Programs, net	310,000.00	-	380,000.00	272,000.00	-	-	-
Fixed Assets, net	-	-	-	-	-	-	-
Deferred Income Taxes	-	-	-	-	-	-	-
<i>Liabilities</i>							
Bank Indebtedness	-	-	-	-	-	-	-
Accounts Payable and Accruals	(16,906.41)	-	(70,467.92)	(28,230.58)	(2,404.10)	-	-
Government Liabilities	-	-	151.39	42,203.92	6,504.84	-	-
Current Portion of Lease Obligations	-	-	-	-	-	-	-
Loans Payable	-	-	-	-	-	-	-
Deferred Revenue	(65,540.00)	(11,400.00)	-	-	(454,605.90)	-	-
Lease Obligations	-	-	-	-	-	-	-
Shareholder Loan	-	-	-	-	-	-	-
Due to Related Parties	(11,300.00)	-	(55,370.00)	(40,680.00)	-	-	-
Long-term Liabilities	-	-	-	-	-	-	-
<i>Shareholder's Equity</i>							
Capital	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)	(1.00)
Opening Retained Earnings	-	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	-	-
Comprehensive Income Adjustment	-	-	-	-	-	-	-
Net Income	(20,847.59)	(28,175.62)	503,395.73	(221,841.87)	-	-	-
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	-	-	-	-	-	-	-
P&L Accounts							
<i>Revenues</i>							
Production Revenue	(1,552,640.00)	(538,215.00)	(1,234,900.00)	(1,198,308.00)	-	-	-
Distribution Revenue	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-
Other Interco Revenue	-	-	-	-	-	-	-
<i>Expenses</i>							
Advertising and Promotion	-	-	-	-	-	-	-
Automobile	-	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-	-
Interest Expense, net	495.19	(2.42)	(10.27)	-	-	-	-
Commissions	-	-	-	-	-	-	-
Subcontractor expense	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Distribution	-	-	-	-	-	-	-
Equipment Lease	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Management Fees	-	-	-	-	-	-	-
Meals and Entertainment	-	-	-	-	-	-	-
Office and General	-	-	-	-	-	-	-
Production Costs	1,531,213.00	497,557.27	1,738,306.00	976,466.13	-	-	-
Professional Fees	-	-	-	-	-	-	-
Rent and Utilities	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-
Salaries, Wages and Benefits	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Foreign Exchange Loss (Gain)	84.22	258.53	-	-	-	-	-
Income Tax Provision	-	12,226.00	-	-	-	-	-
Write-down of Investment in TV Programs	-	-	-	-	-	-	-
Write-down of Deferred Financing Costs	-	-	-	-	-	-	-
Write-down of Deferred Income Taxes	-	-	-	-	-	-	-
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Net Income	(20,847.59)	(28,175.62)	503,395.73	(221,841.87)	-	-	-

TRIAL BALANCE - CONSOLIDATED
AS AT MAY 31, 2016

	TV90 TBD CDN\$	TMHI US\$	TMHI CDN\$	TMI US\$	TMI CDN\$	TMPI US\$	TMPI CDN\$
Balance Sheet							
<i>Assets</i>							
Cash	-	161.30	211.46	167,835.64	220,032.52	549.76	720.74
Accounts Receivable	-	-	-	1,044,551.86	1,369,407.49	-	-
Taxes Receivable	-	-	-	-	-	-	-
Prepaid Expenses and Other Assets	-	-	-	-	-	-	-
Investment in Affiliates	-	10,000.00	10,636.00	3,000.00	3,731.10	-	-
Due From (To) Affiliates	1.00	(5,261.05)	(6,897.24)	(4,535,573.87)	(5,946,137.34)	(30,171.76)	(39,555.18)
TV Programs in Development	-	-	-	24,514.26	32,138.19	-	-
TV Programs in Progress	-	-	-	62,700.00	82,199.70	-	-
Investment in TV Programs, net	-	-	-	11,292,710.37	14,804,743.30	-	-
Fixed Assets, net	-	-	-	18,942.50	24,833.62	-	-
Deferred Income Taxes	-	-	-	-	-	-	-
<i>Liabilities</i>							
Bank Indebtedness	-	-	-	-	-	-	-
Accounts Payable and Accruals	-	-	-	(9,749,174.26)	(12,781,167.45)	-	-
Government Liabilities	-	-	-	-	-	-	-
Current Portion of Lease Obligations	-	-	-	-	-	-	-
Loans Payable	-	-	-	(855,057.00)	(1,120,979.73)	-	-
Deferred Revenue	-	-	-	(443,427.00)	(581,332.80)	-	-
Lease Obligations	-	-	-	-	-	-	-
Shareholder Loan	-	-	-	2,655.97	3,481.98	-	-
Due to Related Parties	-	-	-	-	-	-	-
Long-term Liabilities	-	-	-	-	-	-	-
<i>Shareholder's Equity</i>							
Capital	(1.00)	(10,000.00)	(10,636.00)	(10,000.00)	(10,636.00)	(10,000.00)	(10,636.00)
Opening Retained Earnings	-	4,299.75	5,347.60	543,055.11	677,032.33	28,112.00	33,161.89
Prior Period Adjustment	-	-	-	-	-	-	-
Comprehensive Income Adjustment	-	-	280.09	-	4,414.93	-	1,085.43
Net Income	-	800.00	1,058.08	2,433,266.42	3,218,238.17	11,510.00	15,223.13
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P&L Accounts							
<i>Revenues</i>							
Production Revenue	-	-	-	(4,242,845.23)	(5,611,587.10)	-	-
Distribution Revenue	-	-	-	(1,449,391.10)	(1,916,964.67)	-	-
Other Revenue	-	-	-	-	-	-	-
Other Interco Revenue	-	-	-	-	-	-	-
<i>Expenses</i>							
Advertising and Promotion	-	-	-	16,533.03	21,866.59	-	-
Automobile	-	-	-	15,026.23	19,873.69	-	-
Bank Charges	-	-	-	6,518.86	8,621.84	-	-
Interest Expense, net	-	-	-	432,189.69	571,614.08	-	-
Commissions	-	-	-	-	-	-	-
Subcontractor expense	-	-	-	259,687.50	343,462.69	-	-
Depreciation	-	-	-	6,264.71	8,285.71	-	-
Distribution	-	-	-	1,068,874.52	1,413,693.44	-	-
Equipment Lease	-	-	-	-	-	-	-
Insurance	-	-	-	20,319.60	26,874.70	-	-
Management Fees	-	-	-	-	-	-	-
Meals and Entertainment	-	-	-	24,312.66	32,155.92	-	-
Office and General	-	800.00	1,058.08	41,913.00	55,434.13	800.00	1,058.08
Production Costs	-	-	-	4,273,540.54	5,652,184.72	10,500.00	13,887.30
Professional Fees	-	-	-	50,327.59	66,563.27	210.00	277.75
Rent and Utilities	-	-	-	171,064.43	226,249.82	-	-
Repairs and Maintenance	-	-	-	1,260.03	1,666.52	-	-
Salaries, Wages and Benefits	-	-	-	611,265.19	808,459.34	-	-
Telephone	-	-	-	13,199.91	17,458.20	-	-
Travel	-	-	-	57,400.91	75,918.44	-	-
Foreign Exchange Loss (Gain)	-	-	-	180,804.35	239,131.83	-	-
Income Tax Provision	-	-	-	-	-	-	-
Write-down of Investment in TV Programs	-	-	-	375,000.00	495,975.00	-	-
Write-down of Deferred Financing Costs	-	-	-	-	-	-	-
Write-down of Deferred Income Taxes	-	-	-	500,000.00	661,300.00	-	-
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Net Income	-	800.00	1,058.08	2,433,266.42	3,218,238.17	11,510.00	15,223.13

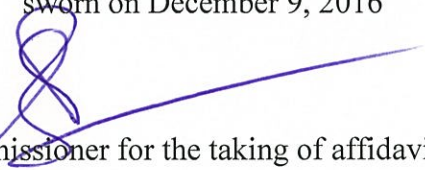
TRIAL BALANCE - CONSOLIDATED
AS AT MAY 31, 2016

	US Prod1	US Prod1	US Prod14	US Prod14	US Prod15	US Prod15	TFI (UK)
	US\$	CDN\$	LOTL	LOTL	Spun Out	Spun Out	£
	US\$	CDN\$	US\$	CDN\$	US\$	CDN\$	
Balance Sheet							
<i>Assets</i>							
Cash	-	-	95.09	124.66	-	-	30,941.45
Accounts Receivable	-	-	-	-	-	-	78,799.94
Taxes Receivable	-	-	-	-	-	-	-
Prepaid Expenses and Other Assets	-	-	-	-	-	-	-
Investment in Affiliates	-	-	-	-	-	-	-
Due From (To) Affiliates	(685.00)	(898.04)	(138.61)	(181.72)	(18,503.82)	(24,258.51)	218,427.73
TV Programs in Development	-	-	-	-	-	-	-
TV Programs in Progress	-	-	-	-	-	-	-
Investment in TV Programs, net	-	-	-	-	-	-	-
Fixed Assets, net	-	-	-	-	-	-	-
Deferred Income Taxes	-	-	-	-	-	-	-
<i>Liabilities</i>							
Bank Indebtedness	-	-	-	-	-	-	-
Accounts Payable and Accruals	-	-	-	-	-	-	(26,003.25)
Government Liabilities	-	-	-	-	-	-	482.34
Current Portion of Lease Obligations	-	-	-	-	-	-	-
Loans Payable	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	(87,128.12)
Lease Obligations	-	-	-	-	-	-	-
Shareholder Loan	-	-	-	-	-	-	-
Due to Related Parties	-	-	-	-	-	-	-
Long-term Liabilities	-	-	-	-	-	-	-
<i>Shareholder's Equity</i>							
Capital	(1,000.00)	(1,144.00)	(1,000.00)	(1,120.00)	(1,000.00)	(1,144.00)	(1,000.00)
Opening Retained Earnings	800.00	895.26	-	(123.70)	-	(99.70)	(183,290.56)
Prior Period Adjustment	-	-	-	-	-	-	-
Comprehensive Income Adjustment	-	(23.73)	-	(79.40)	-	(293.54)	-
Net Income	885.00	1,170.50	1,043.52	1,380.16	19,503.82	25,795.75	(31,229.53)
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	-	-	-	-	-	-	-
P&L Accounts							
<i>Revenues</i>							
Production Revenue	-	-	-	-	(2,726,422.00)	(3,605,965.74)	-
Distribution Revenue	-	-	-	-	-	-	(26,100.68)
Other Revenue	-	-	-	-	-	-	-
Other Interco Revenue	-	-	-	-	-	-	-
<i>Expenses</i>							
Advertising and Promotion	-	-	-	-	-	-	-
Automobile	-	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-	2,822.59
Interest Expense, net	-	-	-	-	-	-	-
Commissions	-	-	-	-	-	-	-
Subcontractor expense	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Distribution	-	-	-	-	-	-	(14,614.73)
Equipment Lease	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Management Fees	-	-	-	-	-	-	-
Meals and Entertainment	-	-	-	-	-	-	-
Office and General	-	-	-	-	-	-	55.31
Production Costs	-	-	1,043.52	1,380.16	2,745,925.82	3,631,761.49	-
Professional Fees	85.00	112.42	-	-	-	-	11,030.50
Rent and Utilities	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-
Salaries, Wages and Benefits	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
Foreign Exchange Loss (Gain)	-	-	-	-	-	-	(4,422.52)
Income Tax Provision	800.00	1,058.08	-	-	-	-	-
Write-down of Investment in TV Programs	-	-	-	-	-	-	-
Write-down of Deferred Financing Costs	-	-	-	-	-	-	-
Write-down of Deferred Income Taxes	-	-	-	-	-	-	-
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Net Income	885.00	1,170.50	1,043.52	1,380.16	19,503.82	25,795.75	(31,229.53)

TRIAL BALANCE - CONSOLIDATED
AS AT MAY 31, 2016

	TFI (UK)	Consolidation	Consolidated
	CDN\$	CDN\$	CDN\$
Balance Sheet			
<i>Assets</i>			
Cash	58,754.72	-	816,921.60
Accounts Receivable	149,633.21	255,434.61	6,010,075.31
Taxes Receivable	-	(450,000.00)	10,081,024.08
Prepaid Expenses and Other Assets	-	-	4,728.45
Investment in Affiliates	-	(37,620.10)	3.00
Due From (To) Affiliates	414,772.42	-	(0.09)
TV Programs in Development	-	-	904,730.65
TV Programs in Progress	-	(257,509.31)	3,783,269.75
Investment in TV Programs, net	-	2,020,584.35	21,912,082.41
Fixed Assets, net	-	-	654,903.11
Deferred Income Taxes	-	-	-
<i>Liabilities</i>			
Bank Indebtedness	-	-	-
Accounts Payable and Accruals	(49,377.57)	(81,825.53)	(17,031,105.26)
Government Liabilities	915.92	(255,434.61)	(16,651.84)
Current Portion of Lease Obligations	-	-	(6,649.64)
Loans Payable	-	-	(16,771,628.95)
Deferred Revenue	(165,447.59)	-	(6,018,733.68)
Lease Obligations	-	-	(2,217.00)
Shareholder Loan	-	(3,481.98)	-
Due to Related Parties	-	3,481.98	(2,949,925.70)
Long-term Liabilities	-	(598,564.29)	(598,564.29)
<i>Shareholder's Equity</i>			
Capital	(1,763.00)	37,299.00	(2.00)
Opening Retained Earnings	(348,591.79)	(2,527,198.80)	(3,593,394.45)
Prior Period Adjustment	-	-	-
Comprehensive Income Adjustment	2,791.38	-	8,175.16
Net Income	(61,687.69)	1,894,834.68	2,812,959.59
	-	-	0.21
P&L Accounts			
<i>Revenues</i>			
Production Revenue	-	7,918,774.48	(25,096,995.35)
Distribution Revenue	(51,556.67)	896,049.00	(5,952,114.28)
Other Revenue	-	-	-
Other Interco Revenue	-	-	-
<i>Expenses</i>			
Advertising and Promotion	-	-	73,316.59
Automobile	-	-	22,868.25
Bank Charges	5,575.46	-	33,583.04
Interest Expense, net	-	(986,749.99)	1,336,716.54
Commissions	-	-	137,123.71
Subcontractor expense	-	-	380,962.69
Depreciation	-	-	237,123.25
Distribution	(28,868.48)	(105,009.23)	3,811,861.34
Equipment Lease	-	-	97,361.66
Insurance	-	-	97,152.30
Management Fees	-	-	-
Meals and Entertainment	-	-	40,180.81
Office and General	109.25	-	239,308.76
Production Costs	-	(7,546,714.48)	19,949,151.74
Professional Fees	21,788.55	-	182,683.10
Rent and Utilities	-	-	723,457.73
Repairs and Maintenance	-	-	8,030.92
Salaries, Wages and Benefits	-	(30,000.00)	2,598,256.33
Telephone	-	-	86,974.56
Travel	-	-	118,580.37
Foreign Exchange Loss (Gain)	(8,735.80)	-	565,234.56
Income Tax Provision	-	450,000.00	466,381.08
Write-down of Investment in TV Programs	-	378,285.60	1,074,260.60
Write-down of Deferred Financing Costs	-	920,199.30	920,199.30
Write-down of Deferred Income Taxes	-	-	661,300.00
Net Income	(61,687.69)	1,894,834.68	2,812,959.59

This is Exhibit "E" to the Affidavit of Andrea Gorfolova
sworn on December 9, 2016



A Commissioner for the taking of affidavits, etc.

1462598 ONTARIO INC. (D/B/A TRICON FILMS & TELEVISION)
Consolidated A/P, Accrued Liabilities & Obligations
(in CDNS)

1.3116 = USD

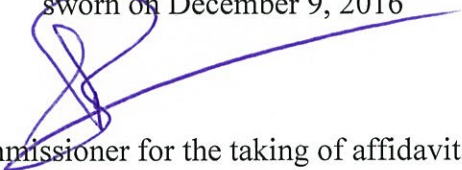
	Aug 31/16	Net Payments/ Reductions	Estimated Additions	Estimated Oct 31/16	Not Yet Due	Current	Overdue	Total
Accounts Payable:								
1462598 Ontario Inc.	81,179	(20,920)		60,259		31,150	29,109	60,259
TFI	147,179	(66,864)		80,315		14,823	65,492	80,315
TMI	77,900	(9,926)		67,973			67,973	67,973
OP Post/TFI (UK)/TV10 Productions (combined)	66,160	(35,509)		30,651		30,651	-	30,651
	434,053			434,053		390,648	43,405	434,053
Accrued Liabilities:								
1462598 Ontario Inc.:								
F'2014 Audit/Consulting Fees	75,000			75,000	75,000			75,000
Sun Trust Interest	301,087	(121,022)	150,000	330,065	75,000		255,065	330,065
TFI:								
Producer Share - Agency	573,912		70,000	643,912	96,587	96,587	450,738	643,912
Producer Share - Sanctuary	2,192,190		3,183,335	5,375,525	215,985		5,159,540	5,375,525
Accrued Production Participations	327,805		50,000	377,805	377,805			377,805
Satan - MG	200,000			200,000			200,000	200,000
Sensitive Skin 1 - MG	250,000			250,000			250,000	250,000
TMI								
IFC/AMC - MG's	11,864,022			11,864,022			11,864,022	11,864,022
Producer Share - Agency	206,304		11,804	218,109	109,054	109,054		218,109
Interest - Scripps	9,367		8,042	17,409	17,409			17,409
Interest - IFC	150,834			150,834			150,834	150,834
Real Rob - MG	131,160			131,160	131,160			131,160
OP Post/TFI (UK)/TV10 Productions (combined)	4,950	(4,950)		-				-
Other:	95,892			95,892		86,303	9,589	95,892
Accrued Production Participations	722,394			722,394	722,394			722,394
Total A/P & Accrued Liabilities:	17,911,388	(259,192)	3,473,181	21,125,378	1,820,394	759,216	18,545,768	21,125,378
Accounts Payable & Accrued Liabilities per FS	17,445,906							
Long-Term Liabilities per FS	465,482							
Total	17,911,388							
Difference	0							
Total A/P (Above)	17,911,388			21,125,378			18,545,768	21,125,378
Add: Sanctuary	3,183,335							
Less: IFC	(11,864,022)			(11,864,022)			(11,864,022)	(11,864,022)
Less: Sun Trust Interest	(301,087)			(330,065)			(255,065)	(330,065)
Less: Scripps Interest	(9,367)			(17,409)			-	(17,409)
Less: IFC Interest	(150,834)			(150,834)			(150,834)	(150,834)
Add: Unrecorded MG Obligations	2,014,195			1,887,671				1,887,671
Unsecured Creditors as of Aug 31, 2016	10,783,608			10,650,719			6,275,847	10,650,719

1462598 ONTARIO INC. (D/B/A TRICON FILMS & TELEVISION)**Consolidated A/P, Accrued Liabilities & Obligations**
(in CDN\$)

1.3116 = USD

	<u>Aug 31/16</u>	<u>Net Payments/ Reductions</u>	<u>Estimated Additions</u>	<u>Estimated Oct 31/16</u>	<u>Not Yet Due</u>	<u>Current</u>	<u>Overdue</u>	<u>Total</u>
Other Loans/Obligations:								
Scripps Loan	1,132,127			1,132,127	1,132,127			1,132,127
Total Other Loans/Obligations:	1,132,127	-	-	1,132,127	1,132,127	-	-	1,132,127
Unrecorded MG Commitments:								
Sensitive Skin 2	960,000			960,000		960,000		960,000
Counterfeit Cat	410,530	(48,524)		362,006		362,006		362,006
Shutterbugs	624,000	(78,000)		546,000		546,000		546,000
React to That	19,665			19,665		19,665		19,665
Total Unrecorded MG Commitments:	2,014,195	(126,524)	-	1,887,671	-	1,887,671	-	1,887,671
Total A/P, Accrued Liabilities & Obligations:	21,057,710	(385,716)	3,473,181	24,145,176	2,952,521	2,646,887	18,545,768	24,145,176

This is Exhibit "F" to the Affidavit of Andrea Gorfolova
sworn on December 9, 2016



A Commissioner for the taking of affidavits, etc.

**REVOLVING CREDIT, SECURITY, GUARANTY
AND PLEDGE AGREEMENT
DATED AS OF AUGUST 22, 2013**

among

1462598 ONTARIO INC. D/B/A TRICON FILMS AND TELEVISION,
as Borrower,

THE GUARANTORS REFERRED TO HEREIN,

THE LENDERS REFERRED TO HEREIN,

and

SUNTRUST BANK,
as Administrative Agent

SUNTRUST ROBINSON HUMPHREY, INC.
as Sole Lead Arranger and Sole Book Manager

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REVOLVING CREDIT, SECURITY, GUARANTY AND PLEDGE

AGREEMENT dated as of August 22, 2013 (as may be amended, supplemented or otherwise modified, renewed, restated or replaced from time to time, the “Credit Agreement”) among (i) **1462598 ONTARIO INC.** d/b/a **TRICON FILMS AND TELEVISION**, a corporation incorporated under the laws of Canada, as Borrower, (ii) the **GUARANTORS** referred to herein, (iii) the **LENDERS** referred to herein and (v) **SUNTRUST BANK**, as Administrative Agent for the Lenders.

INTRODUCTORY STATEMENT

Terms not otherwise defined above or in this Introductory Statement are as defined in Article 1 hereof or as defined elsewhere herein.

The Borrower has requested that the Lenders make available to the Borrower a four-year senior secured revolving credit facility to be comprised of up to US\$20,000,000 (or the U.S. Dollar Equivalent of Canadian Dollars), as more fully set forth herein (the “Facility”).

The proceeds of the Facility will be used for the purposes described in Section 6.17 hereof.

To provide assurance for the repayment of the Loans and the other Obligations hereunder, the Borrower will, among other things, provide or cause to be provided to the Administrative Agent, for the benefit of the Secured Parties, the following (each as more fully described herein):

- (i) a security interest in the Collateral from each of the Credit Parties pursuant to Article 8 hereof;
- (ii) a guaranty of the Obligations by each of the Guarantors pursuant to Article 9 hereof; and
- (iii) a pledge by each of the Pledgors of the Pledged Collateral owned by it pursuant to Article 10 hereof and pursuant to the Equity Interest Pledge Agreement.

Subject to the terms and conditions set forth herein, the Administrative Agent is willing to act as administrative agent for the Lenders and each Lender is willing to make Loans to the Borrower, each as provided herein, in an aggregate amount at any one time outstanding not in excess of its Commitment hereunder.

Accordingly, the parties hereto hereby agree as follows:

1. DEFINITIONS

For the purposes of this Credit Agreement, except as otherwise expressly provided or unless the context otherwise requires, (i) terms used herein include, as appropriate, all genders and the plural as well as the singular, (ii) references to any agreement include all schedules and exhibits thereto, (iii) references to words such as “herein,” “hereof” and the like shall refer to this

Credit Agreement as a whole and not to any particular part, Article or Section within this Credit Agreement, (iv) references to an Article or Section such as “Article Twelve” or “Section 12.1” shall refer to the applicable Article or Section of this Credit Agreement, (v) the term “include” and all variations thereof shall mean “include without limitation,” (vi) the term “proceeds” as used in the definition of “Collateral” or otherwise with regard to the term “Collateral”, shall have the meaning ascribed to such term in the UCC, and (vii) references to laws include their amendments and supplements, the rules and regulations thereunder and any successors thereto.

For the purposes hereof unless the context otherwise requires, the following terms shall have the respective meanings indicated, all accounting terms not otherwise defined herein shall have the respective meanings accorded to them under Acceptable Account Standards and all terms defined in the UCC and not otherwise defined herein shall have the respective meanings accorded to them therein. Unless the context otherwise requires, any of the following terms may be used in the singular or the plural, depending on the reference:

“Acceptable Accounting Standards” means GAAP or IFRS.

“Acceptable Canada Media Fund Grant” shall have the meaning set forth on Annex A hereto.

“Acceptable L/C” shall mean an irrevocable standby letter of credit which: (a) is in form, amount and on terms reasonably acceptable to the Administrative Agent; (b) is payable in U.S. Dollars or Canadian Dollars at an office of the issuing or confirming bank in which is acceptable to the Administrative Agent in its sole discretion; (c) is issued or confirmed by any Person that, on the date of issuance or confirmation of such letter of credit, is not a Defaulting Lender and is a bank which the Administrative Agent, in its discretion, determines to be of acceptable credit quality; and (d) has an expiry date which is no later than the Maturity Date.

“Acceptable Obligors” shall mean any of the Major Acceptable Obligors, Non-Major Acceptable Obligors, Minor Acceptable Obligors, and Other Acceptable Obligors.

“Acceptable Tax Credit” shall have the meaning set forth on Annex A hereto.

“Account Control Agreement” shall mean an account control agreement substantially in the form of Exhibit K hereto or such other account control agreement (or equivalent document for deposit accounts maintained at financial institutions outside of the United States of America) in form and substance reasonably satisfactory to the Administrative Agent, as the same may be amended, supplemented or otherwise modified, renewed, restated or replaced from time to time.

“Administrative Agent” shall mean SunTrust Bank, in its capacity as administrative agent for the Lenders hereunder, or such successor Administrative Agent as may be appointed pursuant to Section 13.11 hereof.

“Affiliate” shall mean any Person, which, directly or indirectly, is in control of, is controlled by, or is under common control with, another Person. For purposes of this definition, a Person shall be deemed to be “controlled by” another Person if such latter Person possesses,

directly or indirectly, power either to direct or cause the direction of the management and policies of such controlled Person whether by contract or otherwise.

“Affiliated Group” shall mean a group of Persons, each of which is an Affiliate (other than by reason of having common directors or officers) of some other Person in the group.

“Allowable Amount” shall mean, with respect to any Acceptable Obligor, such amount as specified on Annex B hereto as the maximum aggregate exposure for such Acceptable Obligor (as modified from time to time in accordance with Section 2.19).

“Alternate Base Rate” shall mean, for any day, a rate per annum equal to the greater of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect for such day plus ½ of 1% and (c) the LIBOR for a one month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%. “Prime Rate” shall mean the rate of interest per annum publicly announced from time to time by the Administrative Agent as its prime rate in effect at its principal office in Atlanta, Georgia. “Federal Funds Effective Rate” shall mean, for any day, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for the day of such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it. If for any reason the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate for any reason, including the inability or failure of the Administrative Agent to obtain sufficient quotations in accordance with the terms hereof, the Alternate Base Rate shall be determined without regard to clause (b) of the first sentence of this definition until the circumstances giving rise to such inability no longer exist. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the U.S. Dollar LIBOR shall be effective on the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the LIBOR, respectively.

“Alternate Base Rate Loan” shall mean a Loan based on the Alternate Base Rate in accordance with the provisions of Article 2 hereof.

“Applicable Law” shall mean all provisions of statutes, rules, regulations and orders of the United States, Canada, the United Kingdom, any state or province thereof or municipality therein or of any foreign governmental body or of any regulatory agency applicable to the Person in question, and all orders and decrees of all courts, tribunals and arbitrators in proceedings or actions in which the Person in question is a party.

“Applicable Margin” shall mean (a) in the case of Alternate Base Rate Loans, 2.00% per annum (b) in the case of CDOR Loans, 4.00%, and (c) in the case of LIBOR Loans, 4.00%.

“Approved Currency” shall mean any of U.S. Dollars or Canadian Dollars.

“Arranger” shall mean SunTrust Robinson Humphrey, Inc.

“ASPE” shall mean Accounting Standards for Private Enterprises.

“Assignment and Assumption” shall mean an agreement substantially in the form of Exhibit H hereto, executed by the assignor, assignee and other parties as contemplated thereby.

“Authorized Officer” shall mean with respect to any Person, its chairman, chief executive officer, president, chief financial officer or chief operating officer.

“Bankruptcy Code” shall mean the Bankruptcy Reform Act of 1978, as heretofore and hereafter amended, as codified at 11 U.S.C. §§ 101 et seq.

“Board” shall mean the Board of Governors of the Federal Reserve System of the United States of America.

“Bookrunner” shall mean SunTrust Robinson Humphrey, Inc., in its capacity as sole bookrunner in connection with the Facility.

“Borrower” shall mean 1462598 Ontario, Inc., d/b/a Tricon Films and Television, a corporation incorporated under the laws of the Province of Ontario.

“Borrowing” shall mean a group of Loans of a single Type and as to which a single Interest Period is in effect on a single day.

“Borrowing Base” shall have the meaning given to such term on Annex A hereto.

“Borrowing Base Certificate” shall have the meaning given to such term in Section 5.1(c) hereof.

“Borrowing Certificate” shall mean a borrowing certificate, substantially in the form of Exhibit G hereto, to be delivered by the Borrower to the Administrative Agent in connection with each Borrowing.

“Budgeted Negative Cost” shall mean for any Item of Product, the Credit Parties’ share of the aggregate amount of the development and pre-production expenses of such Item of Product plus the cost of all production elements usually and customarily included as part of the negative cost of an Item of Product of like cost and quality plus the usual and customary post production costs of such Item of Product, in each case solely with respect to third-party, out-of-pocket expenses (i.e., not including any budget items for an Item of Product paid or payable to a Credit Party or its Affiliates, including any in-kind services of a Credit Party or its Affiliates).

“Business Day” shall mean any day other than a Saturday, Sunday or other day on which banks are required or permitted to close in either the State of New York, the State of California or the Province of Ontario; provided, however, that (i) when used in connection with a LIBOR Loan, the term “Business Day” shall also exclude any day on which banks are not open for dealings in Dollar deposits on the London Interbank Market, and (ii) when used in connection with a Canadian Dollar Loan, the term “Business Day” shall also exclude any day on which banks are required or permitted to close in the Province of Ontario.

“Business Plan” shall mean a business plan for the Borrower and its Consolidated Subsidiaries in form and substance reasonably acceptable to the Administrative Agent.

“Canadian Bankruptcy and Insolvency Act” shall mean the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as heretofore and hereafter amended.

“Canadian Credit Parties” shall mean the Borrower and the Canadian Guarantors.

“Canadian Dollar Cash Collateral Account” shall have the meaning given such term in Section 12.1.

“Canadian Dollar Clearing Account” shall mean the Canadian Dollar denominated account of the Administrative Agent as may be designated as such by the Administrative Agent from time to time.

“Canadian Dollar Collection Account” shall mean the following account:

Bank:	Toronto Dominion Bank, Toronto
SWIFT ID:	TDOMCATTOR
Address:	55 King Street West, P. O. Box 1 Toronto Dominion Centre Toronto, Ontario M5K 1A2 Canada
Account:	SUNTRUST NOSTRO
A/C#	0360-01-2100851TORONTO
SUNTRUST SWIFT:	SNTRUS3A
Beneficiary:	1462598 Ontario Inc. d/b/a Tricon Films and Television
Reference:	For further credit – 1462598 Ontario Inc. 37190CAD
Attn:	Do Not Convert FX

“Canadian Dollars” and “C\$” shall mean the lawful currency of Canada.

“Canadian Dollar Loan Interest Rate Type” shall have the meaning given to such term in Subsection 2.4(a).

“Canadian Dollar Loans” shall mean Loans made hereunder denominated in Canadian Dollars in accordance with Section 2.3.

“Canadian Guarantors” shall mean all of the Guarantors which are organized under the laws of Canada or any province or territory thereof.

“Canadian Plan” shall mean any employee benefit, pension, retirement or other equivalent or analogous plan or program including, without limitation, any multi-employer pension plan, established or maintained by, for or on behalf of any Credit Party, or any Subsidiary of any Credit Party, domiciled in Canada which is subject to the minimum funding standards prescribed by Applicable Law of Canada or any province, territory or other political subdivision thereof.

“Canadian Pledge Agreement” shall mean a Pledge of Securities Agreement executed by the Administrative Agent and those Andrea Gorfolova, in a form agreed between the Administrative Agent and such Persons, as the same may be amended, supplemented or otherwise modified, renewed or replaced from time to time.

“Canadian Security Documents” shall mean, collectively, any Ontario Security Agreement and any Canadian Pledge Agreement.

“Capital Expenditures” shall mean, with respect to any Person for any period, the aggregate of all expenditures, whether paid in cash or accrued as a liability, by such Person during that period which, in accordance with Acceptable Account Standards, are or should be included in “additions to property, plant or equipment” or similar items included in the statement of cash flows (including Capital Leases). For purposes of this definition, the purchase price of equipment that is purchased simultaneously with the trade-in of existing equipment or with insurance proceeds shall be included in Capital Expenditures only to the extent the gross amount of such purchase price exceeds the credit granted by the seller of such equipment for the equipment being traded in at such time, or the amount of such proceeds, as the case may be. Furthermore, for the purpose of this definition, investments in the development and production of Items of Product (and any rights therein) shall not be deemed to constitute the making of Capital Expenditures. Furthermore, for the purpose of this definition, investments in the development and production of Items of Product (and any rights therein) shall not be deemed to constitute the making of Capital Expenditures.

“Capital Lease” shall mean, as applied to any Person, any lease of any property (whether real, personal or mixed) by that Person as lessee which, in accordance with Acceptable Account Standards, is or should be accounted for as a capital lease on the balance sheet of that Person.

“Cash Collateral Account” shall have the meaning given to such term in Section 12.1 hereof.

“Cash Equivalents” shall mean (a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one (1) year from the date of acquisition thereof; (b) investments in commercial paper maturing within two hundred seventy (270) days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from S&P or from Moody’s; (c) investments in certificates of deposit, banker’s acceptances and time deposits maturing within one hundred eighty (180) days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than \$2,000,000,000 or that is a Lender; (d) fully collateralized repurchase agreements with a term of not more than thirty (30) days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above; (e) money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940,

as amended, (ii) are rated AAA by S&P or Aaa by Moody's, and (iii) have portfolio assets of at least \$5,000,000,000; (f) direct obligations of any State of the United States of America (or by any subdivision thereof to the extent such obligations are backed by the full faith and credit of such State), in each case, (i) maturing within one (1) year from the date of acquisition thereof, and (ii) rated AAA by S&P or Aaa by Moody's; (g) demand deposits, term deposits or certificates of deposits (having original maturities of no more than 365 days) of banks or trust companies chartered or licensed under the laws of Canada or any province thereof; provided that, at the time of the investment or contractual commitment to invest therein, the short-term debt rating of such bank or trust company shall have a rating of at least R-1 (middle) from Dominion Bond Rating Service Limited or of at least an equivalent rating from Canadian Bond Rating Service; and (h) commercial paper (having a remaining term to maturity of no more than 365 days) having, at the time of the investment or contractual commitment to invest therein, a rating of at least R-1 (middle) from Dominion Bond Rating Service Limited or of at least an equivalent rating from Canadian Bond Rating Service.

“CDOR Loan” shall mean a Loan based on the CDOR Rate in accordance with the provisions of Article 2 hereof.

“CDOR Rate” shall mean, on any day, the annual rate of interest which is the rate determined by the Administrative Agent as being the arithmetic average (rounded to the nearest one-thousandth of 1%, with five ten-thousandths of 1% being rounded upwards) of the rates applicable to bankers acceptances for the appropriate term displayed and identified as such on the “Reuters Screen CDOR Page” (as defined in the International Swap and Derivatives Association Inc. definitions, as modified and amended from time to time) as at approximately 10:00 a.m. on such day, or if such day is not a Business Day then on the immediately preceding Business Day (as adjusted by the Administrative Agent after 10:00 a.m. to reflect any error in a posted rate of interest or in the posted average annual rate of interest); provided, however, if such rates do not appear on the Reuters Screen CDOR Page as contemplated, then the CDOR Rate on any day shall be calculated as the arithmetic average of the discount rates applicable to bankers' acceptances for the appropriate term quoted by the Lenders which are banks listed in Schedule I to the Bank Act (Canada) as of approximately 10:00 a.m. on such day, or if such day is not a Business Day, then on the immediately preceding Business Day.

“Change in Control” shall mean (a) Andrea Gorfolova shall cease to collectively own (directly or indirectly) 65% of the common Equity Interests of the Borrower or shall cease to have voting control of the Borrower (with voting control for these purposes determined with reference to all voting Equity Interests of the Borrower), or (b) the Borrower ceasing to own directly or indirectly 65% of all the economic and voting interests in each of the Credit Parties. Notwithstanding the foregoing, if any of the Persons listed on Annex “C” or such other Person reasonably acceptable to the Administrative Agent is the counterparty providing an equity investment in the Borrower, the percentages above shall be 51% instead of 65%..

“Change in Law” shall mean (a) the adoption of any law, rule or regulation after the date of this Credit Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Credit Agreement or (c) compliance by any Lender or (or, for purposes of Section 2.12(b) hereof by any Lending Office of such Lender or by such Lender's holding company, if any) with any request,

guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Credit Agreement; provided, however, that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Change in Management” shall mean (a) Ms. Andrea Gorfolova shall cease for any reason, including, without limitation, termination of employment, death or disability (the term “disability” or “disabled” as used herein meaning an inability continuing for one hundred twenty (120) consecutive days to perform the functions and services substantially similar to those currently being performed by Ms. Andrea Gorfolova), to serve as the chief executive officer of the Borrower or to substantially perform the functions and services currently being performed by her for any of the Credit Parties, and (b) the Credit Parties shall fail, for a period of 120 consecutive days following the earliest date that she may be considered disabled or shall have otherwise ceased to serve as in such capacity or to perform such functions and services for the Credit Parties as aforesaid, to replace her with an individual acceptable to the Administrative Agent in its discretion.

“CIPO” shall mean the Canadian Intellectual Property Office.

“Clearing Accounts” shall mean each of the U.S. Dollar Clearing Account and the Canadian Dollar Clearing Account.

“Closing Date” shall mean the date on which the conditions precedent set forth in Section 4.1 of this Credit Agreement have been satisfied or waived.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations issued thereunder, as now and hereafter in effect, as codified at 26 U.S.C. § 1 et seq. or any successor provision thereto.

“Co-Financier” shall mean (a) any Permitted Counterparty or (b) any other Person whose financing obligations under the relevant Co-Financing Agreement are secured by an Acceptable L/C, a cash deposit or other form of credit support which is acceptable to the Administrative Agent.

“Co-Financing Agreement” shall mean the agreement between a Credit Party and a Co-Financier relating to the co-financing arrangements in respect of a Permitted Co-Financed Item of Product in form and substance satisfactory to the Administrative Agent, as the same may be amended, supplemented or otherwise modified, renewed, restated or replaced from time to time in accordance with the terms hereof.

“Co-Financing Intercreditor Agreement” shall mean, in respect of a Permitted Co-Financed Item of Product, an intercreditor agreement among the Administrative Agent, the applicable Credit Party, and the applicable Co-Financier, in form and substance reasonably satisfactory to the Administrative Agent in all respects (as the same may be amended,

supplemented or otherwise modified, renewed, restated or replaced from time to time in accordance with the terms hereof and thereof) and governing, among other things, the terms of the applicable co-financing arrangements and the remittance by the Administrative Agent to such Co-Financier of a portion of the proceeds of the applicable Permitted Co-Financed Item of Product. For the terms thereof to be satisfactory, such intercreditor agreement shall, among other things, (a) provide for the Administrative Agent to have a first priority secured position in the Credit Parties' rights in the Item of Product and the proceeds thereof (subject to the Co-Financier's negotiated recoupment position), including control by the Administrative Agent in the event of a liquidation of any common collateral, and (other than with respect to any territory or media over which (i) in the context of a tax benefit transaction, the tax counterparty has a priority claim in a specified foreign territory in which the tax benefit counterparty or an Affiliate thereof is located or (ii) the Co-Financier shall hold distribution rights) provide the Administrative Agent with control of remedies against distributors and licensees of the Permitted Co-Financed Item of Product and the right to deduct the costs of enforcement of such remedies from the gross receipts realized prior to making distributions of the Co-Financier's share of such gross receipts to the Co-Financier, (b) prohibit such Co-Financier from interfering with the rights of the distributors and licensees of the Permitted Co-Financed Item of Product (other than with respect to any territories or media (i) over which such Co-Financier has a priority claim or (ii) holds distribution rights) and (c) permit the Co-Financier to pursue remedies only against the applicable Credit Parties (and only for money damages) and not the Permitted Co-Financed Item of Product or the proceeds therefrom.

“Collateral” shall mean with respect to each Credit Party, all of such Credit Party's right, title and interest in and to all personal property, tangible and intangible, wherever located or situated and whether now owned, presently existing or hereafter acquired or created (excluding, in each case, Excluded Collateral, if applicable), including, but not limited to, all goods, accounts, instruments, intercompany obligations, contract rights, partnership and joint venture interests, documents, chattel paper, general intangibles, goodwill, equipment, machinery, inventory, investment property, copyrights, trademarks, trade names, insurance policies (including key man policies, if any), insurance proceeds, cash, any Currency Agreements or Swap Agreements, deposit accounts, letter of credit rights, the Pledged Securities, and other securities, all amounts on deposit in the Cash Collateral Account, and any proceeds of, or any products or income from, any of the foregoing, further including but not limited to, all of such Credit Party's right, title and interest in and to each and every item and type of Item of Product, the scenario, screenplay or script upon which an Item of Product is based, all of the properties thereof, tangible and intangible, and all domestic and foreign copyrights and all other rights therein and thereto, of every kind and character, whether now in existence or hereafter to be made or produced, and whether or not in possession of such Credit Party, including with respect to each and every Item of Product and without limiting the foregoing language, each and all of the following particular rights and properties (in each case wherever located and to the extent they are now owned or hereafter created or acquired by such Credit Party):

- (i) all scenarios, screenplays, teleplays and/or scripts at every stage thereof;
- (ii) all common law and/or statutory copyright and other rights in all literary and other properties (hereinafter called “said literary properties”) which form the basis of such Item of Product and/or which are or will be incorporated into such Item of Product, all

component parts of such Item of Product consisting of said literary properties, all motion picture, television program or other rights in and to the story, all treatments of said story and said literary properties, together with all preliminary and final screenplays used and to be used in connection with such Item of Product, and all other literary material upon which such Item of Product is based or from which it is adapted;

(iii) all rights for all media in and to all music and musical compositions used and to be used in such Item of Product, if any, including, each without limitation, all rights to record, re-record, produce, reproduce or synchronize all of said music and musical compositions, including, without limitation, reuse fees, royalties and all other amounts payable with respect to said music and musical compositions;

(iv) all tangible personal property relating to such Item of Product, including, without limitation, all exposed film, developed film, positives, negatives, prints, positive prints, answer prints, magnetic tapes and other digital or electronic storage media, special effects, preparing materials (including interpositives, duplicate negatives, internegatives, color reversals, intermediates, lavenders, fine grain master prints and matrices, and all other forms of pre-print elements), sound tracks, cutouts, trims and any and all other physical properties of every kind and nature relating to such Item of Product whether in completed form or in some state of completion, and all masters, duplicates, drafts, versions, variations and copies of each thereof, in all formats whether on film, videotape, disk or otherwise and all music sheets and promotional materials relating to such Item of Product (collectively, the “Physical Materials”);

(v) all collateral, allied, subsidiary and merchandising rights appurtenant or related to such Item of Product including, without limitation, the following rights: all rights to produce remakes, spin-offs, sequels or prequels to such Item of Product based upon such Item of Product, said literary properties or the theme of such Item of Product and/or the text or any part of said literary properties; all rights throughout the world to broadcast, transmit and/or reproduce by means of television (including commercially sponsored, sustaining and subscription or “pay” television) or by streaming video or by other means over the internet or any other open or closed physical or wireless network or by any process analogous to any of the foregoing, now known or hereafter devised, such Item of Product or any remake, spin-off, sequel or prequel to the Item of Product; all rights to produce primarily for television or similar use, a motion picture or series of motion pictures, or other Item of Product by use of film or any other recording device or medium now known or hereafter devised, based upon such Item of Product, said literary properties or any part thereof, including, without limitation, based upon any script, scenario or the like used in such Item of Product; all merchandising rights including, without limitation, all rights to use, exploit and license others to use and exploit any and all commercial tie-ups of any kind arising out of or connected with said literary properties, such Item of Product, the title or titles of such Item of Product, the characters of such Item of Product and/or said literary properties and/or the names or characteristics of said characters and including further, without limitation, any and all commercial exploitation in connection with or related to such Item of Product, any remake, spin-off, sequel or prequel thereof and/or said literary properties;

(vi) all statutory copyrights, domestic and foreign, obtained or to be obtained on such Item of Product, together with any and all copyrights obtained or to be obtained in connection with such Item of Product or any underlying or component elements of such Item of

Product, including, in each case without limitation, all copyrights on the property described in subparagraphs (i) through (v) inclusive, of this definition, together with the right to copyright (and all rights to renew or extend such copyrights, if applicable) and the right to sue in the name of any of the Credit Parties for past, present and future infringements of copyright;

(vii) all insurance policies and completion bonds connected with such Item of Product and all proceeds which may be derived therefrom;

(viii) all rights to distribute, sell, rent, license the exhibition of and otherwise exploit and turn to account such Item of Product in all media (whether now known or hereafter developed), the Physical Materials, the motion picture, television program or other rights in and to the story and/or other literary material upon which such Item of Product is based or from which it is adapted, and the music and musical compositions used or to be used in such Item of Product, and any and all rights therein in perpetuity, without limitation, in any manner and in any media whatsoever throughout the universe, including, without limitation, by projection, radio, all forms of television (including, without limitation, free, pay, toll, cable, sustaining subscription, sponsored and direct satellite broadcast), in theaters, non-theatrically, on cassettes, cartridges and discs and by any and all other scientific, mechanical or electronic means, methods, processes or devices now known or hereafter conceived, devised or created;

(ix) any and all sums, claims, proceeds, money, products, profits or increases, including money profits or increases (as those terms are used in the UCC or otherwise) or other property obtained or to be obtained from the distribution, exhibition, sale or other uses or dispositions of such Item of Product or any part of such Item of Product in all media (whether now known or hereafter developed), including, without limitation, all sums, claims, proceeds, profits, products and increases, whether in money or otherwise, from a sale and leaseback or other sale, rental or licensing of such Item of Product and/or any of the elements of such Item of Product including, without limitation, from collateral, allied, subsidiary and merchandising rights, and further including, without limitation, all monies held in any Collection Account;

(x) the dramatic, nondramatic, stage, television, radio and publishing rights, title and interest in and to such Item of Product, and the right to obtain copyrights and renewals of copyrights therein, if applicable;

(xi) the name or title of such Item of Product and all rights of such Credit Party to the use thereof, including, without limitation, rights protected pursuant to trademark, service mark, unfair competition and/or any other applicable statutes, common law, or other rule or principle of law;

(xii) any and all contract rights and/or chattel paper which may arise in connection with such Item of Product;

(xiii) all accounts and/or other rights to payment which such Credit Party presently owns or which may arise in favor of such Credit Party in the future, including, without limitation, any refund or rebate in connection with a completion bond or otherwise, any and all refunds in connection with any VAT or value added tax, all accounts and/or rights to payment due from Persons in connection with the distribution of such Item of Product, or from the

exploitation of any and all of the collateral, allied, subsidiary, merchandising and other rights in connection with such Item of Product, including tax refunds and tax rebates received in connection with tax incentives;

(xiv) any and all “general intangibles” (as that term is defined in the UCC) not elsewhere included in this definition, including, without limitation, any and all general intangibles consisting of any right to payment which may arise in connection with the distribution or exploitation of any of the rights set out herein, and any and all general intangible rights in favor of such Credit Party for services or other performances by any third parties, including actors, writers, directors, individual producers and/or any and all other performing or nonperforming artists in any way connected with such Item of Product, any and all general intangible rights in favor of such Credit Party relating to licenses of sound or other equipment, or licenses for any photograph or photographic or other processes, and any and all general intangibles related to the distribution or exploitation of such Item of Product including general intangibles related to or which grow out of the exhibition of such Item of Product and the exploitation of any and all other rights in such Item of Product set out in this definition;

(xv) any and all “goods”, including, without limitation, “inventory” (as such terms are defined in the UCC) which may arise in connection with the creation, production or delivery of such Item of Product, which goods are owned by such Credit Party pursuant to any production or distribution agreement or otherwise;

(xvi) all and each of the rights, regardless of denomination, which arise in connection with the acquisition, creation, production, completion of production, delivery, distribution, or other exploitation of such Item of Product, including, without limitation, any and all rights in favor of such Credit Party, the ownership or control of which are or may become necessary or desirable, in the reasonable opinion of the Administrative Agent, in order to complete production of such Item of Product in the event that the Administrative Agent exercises any rights it may have to take over and complete production of such Item of Product;

(xvii) any and all documents issued by any pledgeholder or bailee with respect to such Item of Product or any Physical Materials (whether or not in completed form) with respect thereto;

(xviii) any and all Production Accounts or other bank accounts established by such Credit Party with respect to such Item of Product;

(xix) any and all rights of such Credit Party under any License Agreements relating to such Item of Product;

(xx) any and all rights of such Credit Party under contracts relating to the production or acquisition of such Item of Product or otherwise, including, but not limited to, all such contracts which have been delivered to the Administrative Agent pursuant to this Credit Agreement;

(xxi) any and all rights of such Credit Party under Currency Agreements or Swap Agreements;

(xxii) any and all patents, patent rights, software, proprietary processes or other rights with respect to the creation or production of computer animated Item of Product;

(xxiii) any and all security granted in favor of the Credit Parties by a Licensee in such Licensee's receivables arising out of any Item of Product and in the distribution rights granted by the Borrower under the License Agreement, including, without limitation, any rights to payment or other rights relating to each Item of Product;

(xxiv) any rebates, credits, grants or other similar benefits relating to any Item of Product, including without limitation, any Acceptable Tax Credit and any Acceptable Canada Media Fund Grant; and

(xxv) all products and proceeds of the foregoing;

provided, however, that anything to the contrary herein notwithstanding, the Collateral shall not include any contract or agreement to which any Credit Party is a party if and to the extent such contract or agreement is subject to express contractual provisions prohibiting the creation of a security interest in the right, title or interest of such Credit Party therein and such creation would, in and of itself, cause or result in a default thereunder enabling another Person party to such contract or agreement to terminate the same or enforce material remedies thereunder; except in each case to the extent that (A) such prohibition has been waived or such other Person has otherwise consented to the creation hereunder of a security interest in such contract or agreement, or (B) such prohibition would be rendered ineffective pursuant to Section 9-406, 9-407 or 9-408 of Article 9 of the UCC, any analogous provisions of the PPSA, as applicable and as then in effect in any relevant jurisdiction, or any other Applicable Law (including the Bankruptcy Code) and provided further that immediately upon the ineffectiveness, lapse or termination of any such provision, such Credit Party shall be automatically deemed to have granted a security interest hereunder to the Administrative Agent (for the benefit of the Secured Parties) in all of its rights, title and interest in and to such contract or agreement as if such provision had never been in effect. In addition, the exclusion of the foregoing proviso shall in no way be construed so as to limit, impair or otherwise affect the Administrative Agent's unconditional continuing security interest in and to (x) to the extent not expressly prohibited by such contract or agreement, all rights, title and interests of a Credit Party in or to any payment obligations or other rights to receive monies due or to become due under any such contract or agreement and in any such monies and other proceeds of such contract or agreement, or (y) all rights, title and interests of each Credit Party in or to any Item of Product to which such contract or agreement relates, including any copyright therein or proceeds therefrom (but, in any such case, only to the extent within the scope of the respective collateral of such Credit Party described in subparagraphs (i) through (xxv) above).

“Collection Account” shall have the meaning given to such term in Section 8.3(a) hereof.

“Commitment” shall mean the commitment of each Lender to make Loans to the Borrower up to an aggregate amount at any one time not in excess of the amount set forth (i) opposite its name under the column captioned “Commitment” in the Schedule of Commitments or (ii) in any applicable Assignment and Acceptance(s) to which it may be a party, as the case

may be, as such amount may be reduced from time to time in accordance with the terms of this Credit Agreement.

“Commitment Fees” shall have the meaning given to such term in Section 2.7(a) hereof.

“Commitment Termination Date” shall mean (a) March 13, 2017, or (b) such earlier date on which the Commitments shall terminate in accordance with Section 2.8 or Article 7 hereof.

“Commodity Exchange Act” shall mean the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“Complete” or “Completed” or “Completion” shall mean with respect to any Item of Product that (a) either (i) sufficient elements thereof have been delivered by the applicable Credit Party to, and accepted, deemed accepted and/or exploited by, a Person (other than the Credit Parties or any Affiliate thereof) to permit such Person to exhibit the Item of Product in the television or other medium for which the Item of Product is intended for initial exploitation in Canada or elsewhere, as the case may be, or (ii) the Borrower has delivered to the Administrative Agent a Laboratory Access Letter or Pledgeholder Agreement which states that an independent laboratory has in its possession a complete final 35mm or 70mm (or other size which has become standard in the industry) composite positive print, video master or other equivalent master copy of the Item of Product as finally cut, main and end titled, edited, scored and assembled, with sound track printed thereon in perfect synchronization with the photographic action and/or animation and fit and ready for exhibition and distribution or broadcast in the medium for which the Item of Product is intended for initial exploitation, and (b) if such Item of Product was acquired by a Credit Party from a third Person, the entire fixed acquisition price or minimum advance shall have been paid to the extent then due and there is no condition or event, other than the payment of money not yet due, the occurrence of which might result in the applicable Credit Party losing any of its rights in such Item of Product.

“Consolidated EBITDA” shall mean, for any period, all as determined in accordance with Acceptable Accounting Standards, the Consolidated Net Income for such period, plus (a) the sum of (in each case without duplication and to the extent the respective amounts described in subclauses (i) through (vi) of this clause (a) reduced such Consolidated Net Income for the respective period for which Consolidated EBITDA is being determined): (i) gross interest expense for such period less gross interest income for such period; (ii) provision for income taxes during such period, (iii) depreciation expense; (iv) amortization of intangible assets (other than the amortization of film content); (v) any extraordinary, unusual or non-recurring charges, expenses or losses; and (vi) any non-cash charges, expenses or losses; provided that, for purposes of this clause (vi), any non-cash charges, expenses or losses shall be treated as cash charges, expenses or losses in any subsequent period during which cash disbursements attributable thereto are made, minus (b) the sum of non-cash income, gains and other items increasing Consolidated Net Income for such period (but excluding any such items in respect of which cash was received in a prior period or will be received in a future period).

“Consolidated Net Income” shall mean, for any period for which such amount is being determined, the net income (or loss) of the Borrower and its Consolidated Subsidiaries for such period taken as a single accounting period in accordance with Acceptable Accounting Standards, provided that there shall be excluded (i) income (or loss) of any Person (other than a Consolidated Subsidiary) in which the Borrower or any of its Consolidated Subsidiaries has an equity investment or comparable interest, except to the extent of the amount of cash dividends or other cash distributions actually paid to the Borrower or any of its Consolidated Subsidiaries by such Person during such period, (ii) the income (or loss) of any Person (other than the Borrower or any Person which is a Consolidated Subsidiary of the Borrower on the Closing Date) accrued prior to the date it becomes a Consolidated Subsidiary of the Borrower or is merged into or Consolidated with the Borrower or any of its Consolidated Subsidiaries or the Person’s assets are acquired by the Borrower or any of its Consolidated Subsidiaries and (iii) the income of any Consolidated Subsidiary to the extent that the declaration or payment of dividends or similar distributions by that Consolidated Subsidiary of its income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Consolidated Subsidiary.

“Consolidated Subsidiaries” shall mean all subsidiaries of a Person which are required or permitted to be consolidated with such Person for financial reporting purposes in accordance with Acceptable Accounting Standards.

“Contribution Agreement” shall mean a Contribution Agreement substantially in the form of Exhibit N hereto, as the same may be amended, supplemented or otherwise modified, renewed, restated or replaced from time to time.

“Cooking Channel” shall mean Cooking Channel, LLC, a Delaware limited liability company.

“Cooking Channel Agreement” shall mean an Agreement, in a form acceptable to the Administrative Agent, executed by Cooking Channel and the Tricon Cooking Channel Entities.

“Cooking Channel Loan” shall mean the loan from Cooking Channel to Tricon Media, Inc., which loan is guaranteed by Tricon Television⁶² Inc. (collectively, with Tricon Media, Inc., the “Tricon Cooking Channel Entities”) and B360 Media TV3 Inc., pursuant to which Cooking Channel agreed to loan certain amounts to Tricon Media, Inc. in connection with season 3 of the television series entitled *Nadia G’s Bitchin’ Kitchen* (episodes 301-316).

“Cooking Channel Loan Documents” shall mean collectively, (i) the Loan Agreement dated as of Jun 15, 2012, between Cooking Channel, the Tricon Cooking Channel Entities and and B360 Media TV3 Inc., (ii) the Security Agreement dated as of June 15, 2012 between Tricon Media, Inc. and Cooking Channel, and (iii) any other document executed in connection with the Cooking Channel Loan.

“Copyright Security Agreement” shall mean a Copyright Security Agreement, substantially in the form of Exhibit C-1 hereto, as the same may be amended, supplemented or

otherwise modified, renewed, restated or replaced from time to time by delivery of a Copyright Security Agreement Supplement or otherwise.

“Copyright Security Agreement Supplement” shall mean a Copyright Security Agreement Supplement substantially in the form of Exhibit C-2 hereto.

“Credit Agreement” shall have the meaning given to such term in the preamble hereto.

“Credit Parties” shall mean the Borrower and each of the Guarantors.

“Currency Agreement” shall mean any foreign exchange contract, currency swap agreement, futures contract, option contract, synthetic cap or other similar agreement designed to protect a Credit Party against fluctuations in currency values.

“Default” shall mean any event, act or condition which with notice or lapse of time, or both, would constitute an Event of Default.

“Defaulting Lender” shall mean any Lender, as reasonably determined by the Administrative Agent, that has (a) failed to fund any portion of its Loans within three (3) Business Days after the date required to be funded by it hereunder, unless determined by the Administrative Agent in its sole discretion to be the subject of a good faith dispute, (b) notified the Administrative Agent, any Lender (subject to such Lender having given notice thereof to the Administrative Agent) or the Borrower (subject to the Borrower having given notice thereof to the Administrative Agent) in writing that it does not intend to comply with any of its funding obligations under this Credit Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Credit Agreement or under other agreements in which it commits to extend credit, unless with respect to such other agreements, the Administrative Agent, in its sole discretion, determines there to be a good faith dispute, (c) failed, within three (3) Business Days after request by the Administrative Agent, to confirm that it will comply with the terms of this Credit Agreement relating to its obligations to fund prospective Loans, (d) otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within three (3) Business Days after the date when due, unless determined by the Administrative Agent in its sole discretion to be the subject of a good faith dispute, or (e) after the Closing Date (i) becomes or is insolvent or has a parent company that has become or is insolvent, or (ii) becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment; provided, that a Lender shall not become a Defaulting Lender pursuant to this clause (e) solely as a result of the acquisition or maintenance of an ownership interest in such Lender or Person controlling such Lender or the exercise of control over such Lender or Person controlling such Lender, in each case by a Governmental Authority or instrumentality thereof.

“Deficit Finance Reserve” shall have the meaning set forth in Section 6.23 below.

“Designated Persons” shall mean a person or entity:

(i) listed in the annex to, or otherwise the subject of the provisions of, any Executive Order;

(ii) named as a “Specially Designated National and Blocked Person” (“SDN”) on the most current list published by OFAC at its official website or any replacement website or other replacement official publication of such list; or is otherwise the subject of any Sanctions Laws and Regulations; or

(iii) in which an entity or person on the SDN List has 50% or greater ownership interest or that is otherwise controlled by an SDN.

“Dollars” and “\$” shall mean lawful money of the United States of America.

“Eligible Assignee” shall mean (i) a commercial bank organized under the laws of the United States, or any State thereof, and having total assets in excess of \$1,000,000,000, (ii) a savings and loan association or savings bank organized under the laws of the United States, or any State thereof, and having a net worth of at least \$1,000,000,000, calculated in accordance with Acceptable Accounting Standards, (iii) a commercial bank organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development (“OECD”), or a political subdivision of any such country, and having total assets in excess of \$1,000,000,000; provided, that such bank is acting through a branch, subsidiary or agency located in the country in which it is organized or another country which is also a member of the OECD, (iv) the central bank of any country which is a member of the OECD, (v) a financial institution, insurance company or fund which regularly engages in making, purchasing or otherwise investing in commercial loans and having total assets in excess of \$1,000,000,000, or (vi) any other Person consented to by the Borrower (which consent shall not be unreasonably withheld or delayed and which consent shall not be required if an Event of Default shall have occurred and be continuing) and the Administrative Agent (which consent shall not be unreasonably withheld or delayed); provided, however, (y) neither the Borrower nor any Affiliate thereof (or any Person acting on behalf of the Borrower or any Affiliate) shall be an Eligible Assignee and (z) neither a Defaulting Lender nor any Affiliate thereof may be an Eligible Assignee.

“Eligible Receivables” shall mean, at any date at which the amount thereof is to be determined, an amount equal to the sum of the following (discounted to present value, in the case of amounts which are not due and payable within twelve (12) months following the date of determination, on a quarterly basis by a rate of interest equal to the interest rate in effect on the Alternate Base Rate Loans on the date of computation): (x) all net amounts which pursuant to a binding agreement are contractually obligated to be paid to a Credit Party either unconditionally or subject only to the passage of time or customary delivery requirements, and which are reasonably expected by the Borrower to be payable and collected from Acceptable Obligors (or are supported by an Acceptable L/C, cash deposit or other form of credit support acceptable to the Administrative Agent in its sole discretion) minus (y) the sum, without double counting, of

the following items (based on the Borrower's then best estimates): royalties, residuals, fees, commissions, participations and other payments to third parties (including any third party sales agents and any Licensing Intermediaries), collection/distribution expenses and commissions, fulfillment costs, Taxes (including foreign withholding, remittance and similar Taxes) chargeable in respect of such accounts receivable, and any other projected expenses of a Credit Party arising in connection with such amounts and any amounts payable to Co-Financiers. Eligible Receivables shall not include amounts:

(a) which are in the aggregate due from a single Acceptable Obligor in excess of the Allowable Amount with respect to such Acceptable Obligor or, in the case of an Affiliated Group, in the aggregate due from the relevant entities in such Affiliated Group in excess of the Allowable Amount with respect to such Affiliated Group, in each case unless secured by an Acceptable L/C, cash deposit or other form of credit support acceptable to the Administrative Agent in its sole discretion (but in each case only to the extent of such excess);

(b) which in the sole judgment of the Administrative Agent, are subject to material conditions precedent to payment (including a material performance obligation or a material executory aspect on the part of the Borrower or any other party or obligations contingent upon future events not within the Borrower's direct control;

(c) which are to be paid in a currency other than U.S. Dollars or Canadian Dollars unless such receivables are contractually hedged in a manner satisfactory to the Administrative Agent; other than (i) receivables that in the aggregate do not exceed US\$400,000 and (ii) receivables that in the aggregate do not exceed US\$2,000,000 so long as all receivables included under this clause (ii) are marked-to-market (into U.S. Dollars) with the delivery of each Borrowing Base Certificate on the basis of a long dated forward rate for the period closest to the payment date (for the avoidance of doubt, the maximum amount of receivables included under this clause (c) that have not been contractually hedged shall not exceed US\$2,000,000 at any given time);

(d) to the extent included in a Credit Party's estimated bad debts;

(e) which are due from any obligor which has 10% or more of the total receivable amount from such obligor ninety (90) or more days past due (exclusive of amounts that are being disputed or contested in good faith);

(f) for which there is bona fide request for a material credit, adjustment, compromise, offset, counterclaim or dispute; provided, however, that only the amount in question shall be excluded from such receivable;

(g) which are attributable to an Item of Product or right in which a Credit Party cannot warrant sufficient title to the underlying rights to justify such receivable;

(h) to the extent that the Administrative Agent (for the benefit of the Secured Parties) does not have a first priority perfected security interest under the UCC, the PPSA and/or other Applicable Law;

(i) which are determined by the Administrative Agent (or the Required Lenders) in its (or their) reasonable discretion, acting in good faith, upon written notice from the Administrative Agent (or the Required Lenders) to the Borrower and effective ten (10) days subsequent to the Borrower's receipt of such notice, to be unacceptable; provided, however, that certain unacceptable receivables may be made acceptable and may be included in the Borrowing Base if secured by an Acceptable L/C, a cash deposit or other form of credit support which is acceptable to the Administrative Agent in its sole discretion;

(j) which relate to an Item of Product as to which the Administrative Agent has not received a fully executed Laboratory Access Letter or a Pledgeholder Agreement for the laboratory holding an original completed set of first generation Physical Materials (or, in the case of digital Physical Materials, a completed set of digital Physical Materials) for such Item of Product;

(k) which may be subject to repayment to the extent not earned by performance (i.e., if a Licensee has a refund, claw-back or similar rights to recoup amounts paid if the Item of Product does not reach certain performance thresholds);

(l) which do not become due and payable prior to the date which is twelve (12) months following the Maturity Date;

(m) with respect to which the Administrative Agent has not received a Notice of Assignment or, if applicable, similar instructions satisfactory to the Administrative Agent contained within an Interparty Agreement or License Agreement, executed by the appropriate Credit Party (and, except as otherwise agreed to by the Administrative Agent in connection with receivables relating to Items of Product as set forth in Section 4.2(b)(ii), counter-signed by the Acceptable Obligor);

(n) which relate to an Item of Product with respect to which any applicable conditions described in Section 4.2 hereof have not been satisfied or no longer remain satisfied; or

(p) which are determined by the Administrative Agent in its reasonable discretion, acting in good faith, upon written notice from the Administrative Agent to the Borrower, to be unacceptable.

"Environmental Laws" shall mean any and all federal, state, provincial, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees or requirements of any Governmental Authority regulating, relating to, or imposing liability or standards of conduct concerning, any Hazardous Material or environmental protection or health and safety, as now or at any time hereafter in effect, including without limitation, the Clean Water Act also known as the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 et seq., the Clean Air Act, 42 U.S.C. §§ 7401 et seq., the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136 et seq., the Surface Mining Control and Reclamation Act, 30 U.S.C. §§ 1201 et seq., the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., the Superfund Amendments and Reauthorization Act of 1986, Public Law 99-499, 100 Stat. 1613, the Emergency Planning and Community Right to Know Act, 42 U.S.C. §§ 11001 et seq., the

Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., the Occupational Safety and Health Act as amended, 29 U.S.C. § 655 and § 657, together, in each case, with any amendment thereto, and the regulations adopted and the publications promulgated thereunder and all substitutions thereof.

“Equity Interests” shall mean shares of the capital stock, partnership interests, membership interests or other ownership units in a limited liability company, beneficial interests in a trust or other equity or voting interests in any Person or any warrants, options or other rights to acquire such interests.

“Equity Interest Pledge Agreement” shall mean a Pledge Agreement executed by the Administrative Agent and Andrea Gorfolova, in form and substance acceptable to the Administrative Agent, as the same may be amended, supplemented or otherwise modified, renewed or replaced from time to time.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as heretofore and hereafter amended, as codified at 29 U.S.C. § 1001 et seq. and the regulations promulgated thereunder.

“ERISA Affiliate” shall mean each Person (as defined in Section 3(9) of ERISA) which is treated as a single employer with any Credit Party under Section 414(b), (c), (m) or (o) of the Code.

“Event of Default” shall have the meaning given to such term in Article 7 hereof.

“Excluded Collateral” shall mean any Excluded UK Tax Credits.

“Excluded UK Tax Credits” shall have the meaning given to such term in Section 14.20 hereof.

“Excluded Party” shall mean any Person (a) that competes with any Credit Party in their primary businesses of the development, production, marketing, distribution and/or exploitation of motion pictures and/or television programs (each, a “Competitor”) or (b) actively participates, directly or indirectly, in the management or control of any Competitor; provided, that none of the following Persons shall constitute an Excluded Party: (i) an institutional investor that invests in media and entertainment companies but does not actively participate, directly or indirectly, in the management and control of any Excluded Party, or (ii) a Person that would otherwise constitute a Competitor or Excluded Party by virtue of having foreclosed on or otherwise exercised any right or remedy resulting in the acquisition or ownership of the equity or assets of a Competitor or Excluded Party and related activities, including, without limitation, directly or indirectly managing a Competitor or Excluded Party.

“Excluded Swap Obligation” shall mean, with respect to any Credit Party, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty of such Person of, or the grant by such Person of a security interest to secure, such Swap Obligation (or any Guaranty thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) (i) by virtue of such Person’s failure for any reason to constitute an

“eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the Guaranty of such Person or the grant of such security interest becomes or would become effective with respect to such Swap Obligation or (ii) in the case of a Swap Obligation subject to a clearing requirement pursuant to Section 2(h) of the Commodity Exchange Act, because such Person is a “financial entity,” as defined in Section 2(h)(7)(C)(i) the Commodity Exchange Act, at the time the Guaranty of such Person becomes or would become effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guaranty or security interest is or becomes illegal

“Excluded Taxes” shall mean, with respect to the Administrative Agent, any Lender, or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) income or franchise Taxes imposed on (or measured by) its net income by the United States of America, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Office is located, or imposed on the Administrative Agent, any Lender, or any other recipient, as applicable, as a result of a present or former connection between the Administrative Agent, such Lender, or such other recipient, as applicable, and the jurisdiction of the taxing authority imposing such Tax or any political subdivision thereof or therein (other than any such connection arising solely from the Administrative Agent’s, any Lender’s, or other recipient’s, as applicable, having executed, delivered or performed its obligations or received a payment under, or executed, delivered or performed its obligations or enforced, this Credit Agreement or any other Fundamental Document), (b) any branch profits Taxes imposed by the United States of America or any similar Tax imposed by any other jurisdiction in which the recipient is located, (c) any withholding Tax (in the case of a Foreign Lender) or backup withholding Tax (in the case of any Lender) that (i) is imposed on amounts payable to such Lender at the time such Lender becomes a party to this Credit Agreement (or designates a new Lending Office) or (ii) is attributable to such Lender’s failure to comply with Section 2.15(e)(i) or Section 2.15(e)(ii) hereof, (d) any harmonized sales tax, Canadian federal withholding Taxes that would be imposed on amounts payable to or for the account of any Lender with respect to an applicable interest in a Loan or Commitment pursuant to applicable law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.15, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender acquired the applicable interest in a Loan or Commitment or to such Lender immediately before it changed its lending and (e) any U.S. Federal withholding Taxes imposed under FATCA.

“Facility” shall have the meaning given to such term in the Introductory Statement hereto.

“Facility Usage” shall mean, for any date of determination, the sum of the principal amount of all Loans outstanding on such date.

“FATCA” shall mean Sections 1471 through 1474 of the Code as in effect on the date hereof (or any amended or successor provision that is substantively comparable and not

materially more onerous to comply with), any current or future regulations promulgated thereunder or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

“Fee Letter” shall mean any letter agreements between the Borrower on the one hand and the Administrative Agent in connection with the payment of fees by the Borrower relating to the Fundamental Documents, amendments thereto and/or loans or commitments thereunder.

“Fixed Charges” shall mean, with respect to the Borrower and its Consolidated Subsidiaries for any period, the sum of all (i) cash interest expense, (ii) non-financed Capital Expenditures and (iii) income or corporation taxes, in each case for such period.

“Fixed Charges Coverage Ratio” shall have the meaning given to such term in Section 6.25 hereof.

“Foreign Lender” shall mean any Lender that is not a United States person, within the meaning of Section 7701(a)(30) of the Code.

“Fundamental Documents” shall mean this Credit Agreement, the Notes, the Pledgeholder Agreements, the Security Documents, the Equity Interest Pledge Agreement, the Gorfolova Subordination Agreement, the Laboratory Access Letters, the Copyright Security Agreement, the Copyright Security Agreement Supplements, the Trademark Security Agreement (or any supplements thereto), the Notices of Assignment, the Instruments of Assumption and Joinder, any Account Control Agreement, any Interparty Agreement, any Co-Financing Intercreditor Agreement, the Contribution Agreement, UCC financing statements, PPSA financing statements and any other ancillary documentation which is required to be or is otherwise executed by any Credit Party and delivered to the Administrative Agent or any other Secured Party in connection with this Credit Agreement or any of the documents listed above (including any amendments, replacements or modifications to any of the documents listed above).

“GAAP” shall mean generally accepted accounting principles in the United States in effect from time to time consistently applied (except for accounting changes in response to FASB releases, or other authoritative pronouncements).

“Gorfolova Loan” shall mean the loan made to the Borrower by Andrea Gorfolova in an amount not to exceed CND\$1,118,314.66.

“Gorfolova Subordination Agreement” shall mean a Subordination Agreement, in a form acceptable to the Administrative Agent, executed by Andrea Gorfolova.

“Governmental Authority” shall mean any federal, state, provincial, municipal or other governmental department, commission, tribunal, board, bureau, agency or instrumentality, or any court, in each case whether of the United States of America, Canada or any foreign jurisdiction.

“Guarantors” shall mean all direct and indirect Subsidiaries of the Borrower.

“Guaranty” shall mean, as to any Person, any direct or indirect obligation of such Person guaranteeing or intended to guarantee any Indebtedness, Capital Lease, dividend or other monetary obligation (“primary obligation”) of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent, (a) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such primary obligation, or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, or (c) to purchase property, securities or services, in each case, primarily for the purpose of assuring the performance by the primary obligor of any such primary obligation; provided, however, that the term Guaranty shall not include endorsements for collection or collections for deposit, in either case in the ordinary course of business. The amount of any Guaranty shall be deemed to be an amount equal to the lesser of (x) the stated or determinable amount of the primary obligation in respect of which such Guaranty is made (or, if the amount of such primary obligation is not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder)) and (y) the stated maximum liability under such Guaranty.

“Hazardous Materials” shall mean any flammable materials, explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or similar materials defined in any Environmental Law.

“IASB” shall mean the International Account Standards Board.

“IFRS” shall mean International Financial Reporting Standards issued by the IASB in effect from time to time, consistently applied.

“Indebtedness” shall mean (without double counting), at any time and with respect to any Person, (a) indebtedness of such Person for borrowed money (whether by loan or the issuance and sale of debt securities) or for the deferred purchase price of property or services purchased (other than (i) amounts constituting trade payables (payable within one hundred twenty (120) days or such longer term as may be customary in the industry) and (ii) amounts due for the short-term rental of space in connection with the production of an Item of Product, in each case, arising in the ordinary course of business); (b) obligations of such Person in respect of letters of credit, acceptance facilities, or drafts or similar instruments issued or accepted by banks and other financial institutions for the account of such Person; (c) obligations of such Person under Capital Leases and any financing leases involving substantially the same economic effect; (d) deferred payment obligations of such Person resulting from the adjudication or settlement of any litigation to the extent not already reflected as a current liability on the balance sheet of such Person; and (e) indebtedness of others of the type described in clauses (a) through (e) hereof which such Person has (i) directly or indirectly assumed or guaranteed in connection with a Guaranty, or (ii) secured by a Lien on the assets of such Person, whether or not such Person has assumed such indebtedness; provided, that Indebtedness shall not include any non-refundable advance made to a Credit Party by a third party distributor in connection with the production, distribution or sale of any Item of Product.

“Indemnified Taxes” shall mean Taxes other than Excluded Taxes.

“Initial Date” shall mean (a) in the case of the Administrative Agent, the date hereof, (b) in the case of each Lender which is an original party to this Credit Agreement, the date hereof and (c) in the case of any other Lender, the effective date of the Assignment and Assumption pursuant to which it became a Lender.

“Instrument of Assumption and Joinder” shall mean an Instrument of Assumption and Joinder substantially in the form of Exhibit I hereto.

“Interest Deficit” shall have the meaning given to such term in Section 2.16 hereof.

“Interest Payment Date” shall mean (a) as to any LIBOR Loan or CDOR Loan having an Interest Period of one (1), two (2) or three (3) months, the last day of such Interest Period, (b) as to any LIBOR Loan or CDOR Loan having an Interest Period of more than three (3) months, the last day of such Interest Period and, in addition, each date during such Interest Period that would be the last day of an Interest Period commencing on the same day as the first day of such Interest Period but having a duration of three (3) months or an integral multiple thereof, and (c) with respect to Alternate Base Rate Loans, the last day of each March, June, September and December (commencing September 30, 2013).

“Interest Period” shall mean as to any LIBOR Loan or CDOR Loan, the period commencing on the date such Loan is made, continued or converted or the last day of the preceding Interest Period and ending on the numerically corresponding day (or if there is no corresponding day, the last day) in the calendar month that is one (1), two (2), three (3), six (6) or, if available from all Lenders and consented to by all Lenders, nine (9) or twelve (12) months thereafter as the Borrower may elect; provided, however, that (a) if any Interest Period would end on a day which shall not be a Business Day, such Interest Period shall be extended to the next succeeding Business Day, unless such next succeeding Business Day would fall in the next calendar month, in which case, such Interest Period shall end on the next preceding Business Day and (b) no Interest Period may be selected which would end later than the Maturity Date.

“Interest Rate Type” shall mean a U.S. Dollar Loan Interest Rate Type or a Canadian Dollar Loan Interest Rate Type, as applicable.

“Interest Reserve Amount” shall have the meaning set forth on Annex A hereto.

“Interparty Agreement” shall mean, with respect to an Item of Product, an interparty agreement, as the same may be amended, supplemented or otherwise modified, renewed, restated or replaced from time to time, among (a) the Administrative Agent, (b) a Credit Party, and (c) an Acceptable Obligor, which agreement (i) is necessary in the reasonable judgment of the Administrative Agent and (ii) shall be in form and substance reasonably satisfactory to the Administrative Agent.

“Investment” shall mean any stock, evidence of indebtedness or other securities of any Person, any loan, advance, contribution of capital, extension of credit or commitment therefor (including, without limitation, the Guaranty of loans made to others, but excluding current trade and customer accounts receivable arising in the ordinary course of business and payable in accordance with customary trading terms in the ordinary course of business), any

purchase of (a) any security of another Person, or (b) any business or undertaking of any Person or any commitment to make any such purchase, or any other investment.

“Item of Product” shall mean (i) any made-for-television and/or digital entertainment product including movies of the week and mini-series or any episode thereof produced for release on cable, free television, digital transmission, or any other medium, in any case whether recorded on film, videotape, cassette, cartridge, disc or on or by any other means, method, process or device whether now known or hereafter developed, with respect to which a Credit Party (a) is the copyright owner, or (b) acquires any distribution or exploitation rights; provided, that for all purposes of this Agreement all of the episodes of any television series for a broadcast season shall be collectively regarded as being one Item of Product; and (ii) any entertainment project produced for initial release on the internet, whether recorded on CD-ROM, disc or on or by any other means, method, process or device whether now known or hereafter developed, and with respect to which a Credit Party (A) is the copyright owner, or (B) acquires any distribution or exploitation rights; provided, that for all purposes of this Agreement, all of the episodes or webisodes of any internet series for a production cycle shall be collectively regarded as being one Item of Product. The term “Item of Product” includes, without limitation, the scenario, screenplay, teleplay or script upon which such Item of Product is based, all of the properties thereof, tangible and intangible, and whether now in existence or hereafter to be made or produced, whether or not in possession of a Credit Party, and all rights therein and thereto, of every kind and character.

“Laboratory” shall mean any laboratory reasonably acceptable to the Administrative Agent which is located in the United States of America or Canada (or any other jurisdiction acceptable to the Administrative Agent in its sole discretion) and is a party to a Pledgeholder Agreement or a Laboratory Access Letter; provided that Bonded Storage is pre-approved.

“Laboratory Access Letter” shall mean a letter agreement among (a) a Laboratory holding any elements (including data backups of work in progress) of any Item of Product to which any Credit Party has the right of access, (b) such Credit Party and (c) the Administrative Agent, substantially in the form of Exhibit D hereto or a form otherwise reasonably acceptable to the Administrative Agent, as the same may be amended, supplemented or otherwise modified, renewed, restated or replaced from time to time.

“Lender” and “Lenders” shall mean the financial institutions whose names appear at the foot hereof and any assignee of a Lender pursuant to Section 14.3 hereof, and their respective successors.

“Lending Office” shall mean, with respect to any of the Lenders, the branch or branches (or Affiliate or Affiliates of such Lender) from which any of such Lender’s Loans are made or maintained and for the account of which all payments of principal of, and interest on, such Lender’s Loans are made, as notified to the Administrative Agent from time to time.

“Library” shall mean the library of Items of Product owned by the Credit Parties or in which the Credit Parties own distribution rights.

“Library Valuation Consultant” shall mean FTI (The Salter Group) or such other independent consultant as shall be selected by the Borrower, approved by the Administrative Agent in its reasonable discretion, and jointly retained by the Borrower and the Administrative Agent prior to the Closing Date at the sole cost and expense of the Borrower.

“Library Valuation Report” shall mean each written library valuation report prepared by the Library Valuation Consultant and setting forth the then current value of the Library (and the supporting calculations reflecting in reasonable detail how such amount was calculated), which report shall be in form and substance (and shall use a methodology) reasonably satisfactory to the Administrative Agent.

“LIBOR” shall mean, with respect to any Interest Period for a Borrowing consisting of LIBOR Loans, a rate of interest per annum equal to the quotient of (i) the LIBOR Base Rate for such LIBOR Loan divided by (ii) one (1) minus the Reserve Requirement (rounded upward, if necessary, to the next 1/16th of 1.0%). It is agreed that, for purposes of this definition, LIBOR Loans made hereunder shall be deemed to constitute Eurocurrency Liabilities as defined in Regulation D and to be subject to the reserve requirements of Regulation D.

“LIBOR Base Rate” shall mean, for any date of determination, the rate of interest per annum determined by the Administrative Agent on the basis of: (a) the rate of interest for U.S. Dollar deposits in the approximate principal amount of the Loans to be made, or continued as, or converted into, LIBOR Loans and having a maturity comparable to the applicable Interest Period, appearing on Page BBAM of the Bloomberg Financial Markets Information Service as of 11:00 a.m., Pacific time (or as soon thereafter as practical), on the date that is two (2) Business Days before the first day of such Interest Period, or (b) if that such rate does not appear on Page BBAM of the Bloomberg Financial Markets Information Service (or otherwise on such service) on any day, then the rate for such day shall be determined by reference to such other publicly available service for displaying Eurodollar rates as may be agreed upon by the Administrative Agent and the Borrower, or (c) in the absence of such agreement, the “LIBOR Base Rate” for such day shall, instead, be the per annum rate equal to the average (rounded upward, if necessary, to the nearest one-sixteenth of one percent (1/16%)) of the rates at which the Administrative Agent is offered U.S. Dollar deposits at or about 11:00 a.m., Pacific time (or soon thereafter as practical), on the date that is two (2) Business Days before the first day of such Interest Period in the interbank Eurodollar market in an amount comparable to the principal amount of the Loans to be made, or continued as, or converted into, LIBOR Loans and for a period equal to the relevant Interest Period.

“LIBOR Loan” shall mean a Loan based on LIBOR in accordance with the provisions of Article 2 hereof.

“LIBOR Rate” shall mean a per annum rate equal to the one (1), two (2), three (3), six (6), nine (9) or twelve (12) month LIBOR, as applicable.

“License Agreement” shall mean any distribution agreement or license agreement heretofore or hereafter entered into by a Credit Party (or Licensing Intermediary on behalf of a Credit Party), as licensor, with a Licensee, as licensee, with respect to the distribution, license or other exploitation of one or more Items of Product in any territory and in any medium.

“Licensing Intermediary” shall mean any of Fintage Magyar Kft, Film & TV House Limited, Freeway Entertainment Kft, or any other licensing intermediary through which any distribution or exploitation rights are transferred as a conduit between a Credit Party and the ultimate licensee, which is acceptable to the Administrative Agent; provided, however, that the Administrative Agent may from time to time by thirty (30) days prior written notice to the Borrower revoke any of such approvals as the Administrative Agent, acting in good faith, may in its discretion deem appropriate (which notice shall be prospective only, and, to the extent that such revocation would otherwise result in a mandatory prepayment by the Borrower, such revocation shall be disregarded, but such removal shall nevertheless be effective for all other purposes under the Fundamental Documents immediately upon the Borrower’s receipt of such notice).

“Licensee” shall mean any un-Affiliated Person to which any Credit Party (or Licensing Intermediary on behalf of a Credit Party) engages to license, distribute or otherwise exploit any Item of Product in any territory and in any medium.

“Lien” shall mean any mortgage, copyright mortgage, pledge, security interest, encumbrance, lien or charge of any kind whatsoever (including, without limitation, any conditional sale or other title retention agreement, any agreement to grant a security interest at a future date, any lease in the nature of security, and the filing of, or agreement to give, any financing statement under the PPSA or the UCC of any jurisdiction); provided, however, that this term shall not include contractual encumbrances which do not afford security of the type described in this definition.

“Liquidity Certificate” shall mean a certificate substantially in the form of Exhibit O hereto, executed by an Authorized Officer of the Borrower.

“Liquidity Ratio” shall mean the ratio (as more fully set forth in the Liquidity Certificate delivered from time to time as required hereunder) for the next twelve (12) months of (x) the projected known sources (including without limitation, ending cash on hand and projected Borrowing Base availability (comprised of forecasted Borrowings during the period plus ending excess availability) and cash receipts from operations) to (y) the aggregate amount of all projected known cash uses (including debt service, amounts to be spent to produce or acquire Items of Product, overhead, and all other projected cash expenditures).

“Loans” shall mean all loans extended by the Lenders pursuant to Section 2.1 and Section 2.3 hereof.

“Major Acceptable Obligor” shall mean any Acceptable Obligor denoted as such on Annex B hereto, for the territory, at the inclusion rate and in the Allowable Amount specified therein (as modified from time to time in accordance with Section 2.19).

“Margin Stock” shall be as defined in Regulation U of the Board.

“Material Adverse Effect” shall mean any change or effect that (a) has a materially adverse effect on the business, assets, properties, operations, prospects or conditions, financial or otherwise, of the Credit Parties (taken as a whole) (other than general economic conditions and events or circumstances which are generally applicable to the industries in which

the Credit Parties operate and which have not disproportionately adversely and materially affected the Credit Parties taken as a whole), (b) materially impairs the legal right, power or authority of any Credit Party to perform its respective obligations under the Fundamental Documents to which it is a party or (c) materially impairs the validity or enforceability of, or materially impairs the rights, remedies or benefits available to the Administrative Agent for the benefit of the Secured Parties under, the Fundamental Documents.

“Maturity Date” shall mean the earlier of (a) September 12, 2017, and (b) such other date as the Loans shall be due and payable in accordance with Article 7 hereof.

“Minor Acceptable Obligor” shall mean any Acceptable Obligor denoted as such on Annex B hereto, for the territory, at the inclusion rate and in the Allowable Amount specified therein (as modified from time to time in accordance with Section 6.20).

“Moody’s” shall mean Moody’s Investors Service, Inc.

“Multiemployer Plan” shall mean a plan described in Section 4001(a)(3) of ERISA to which any Credit Party or ERISA Affiliate is making or accruing an obligation to make contributions, or has within any of the five preceding plan years made or accrued an obligation to make contributions.

“Narrative Report” shall mean, with respect to the financial statements for which such narrative report is required, a narrative report describing the operations of the Borrower and its Subsidiaries for the applicable fiscal quarter and for the period from the beginning of the then current Fiscal Year to the end of such period to which such financial statements relate.

“Non-Major Acceptable Obligor” shall mean any Acceptable Obligor denoted as such on Annex B hereto, for the territory, at the inclusion rate and in the Allowable Amount specified therein (as modified from time to time in accordance with Section 2.19).

“Note” or “Notes” shall have the meaning given to such term in Section 2.5 hereof.

“Notice of Assignment” shall mean a Notice of Assignment and Irrevocable Instructions substantially in the form of Exhibit J-1 or, with respect to Items of Product not included in the Borrowing Base, Exhibit J-2, hereto or in such other form (including instructions incorporated into a License Agreement or Interparty Agreement) as shall be reasonably acceptable to the Administrative Agent.

“Notice of Continuation/Conversion” shall mean a Notice of Continuation and Conversion in the form attached hereto as Exhibit B.

“Obligations” shall mean the obligation of the Borrower to make due and punctual payment of (a) principal of and interest on the Loans, the Commitment Fees, costs, reasonable outside attorneys’ fees and all other monetary obligations of the Borrower to the Administrative Agent or any Lender under this Credit Agreement, the Notes, any other Fundamental Document or the Fee Letter in respect of the Facility, (b) all amounts payable by any Credit Party to any Lender or any of its Affiliates under any Currency Agreement or Swap

Agreement permitted under Section 6.18 hereof, provided, that the Administrative Agent shall have received written notice thereof within ten (10) Business Days after execution of such Currency Agreement or Swap Agreement and (c) amounts payable to a Lender or any of its Affiliates, in connection with any bank account maintained by the Borrower or any other Credit Party at such Lender or its Affiliates or any other treasury, depository, purchase card, cash management or automated clearing house transfers of funds or similar services or other banking services provided to the Borrower or any other Credit Party by such Lender or its Affiliates.

“OFAC” shall mean the United States Department of Treasury Office of Foreign Assets Control.

“Ontario Security Agreement” shall collectively mean a Security Agreement executed by each of the Borrower and the other Canadian Credit Parties and the Administrative Agent in a form agreed between the Canadian Credit Parties and the Administrative Agent, as the same may be amended, supplemented or otherwise modified, renewed or replaced from time to time.

“Other Acceptable Obligor” shall mean any Major Acceptable Obligors, Non-Major Acceptable Obligors, or Minor Acceptable Obligors for which the Administrative Agent has not received a fully executed License Agreement.

“Other Taxes” shall mean any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Credit Agreement.

“Overhead Expenses” shall mean the sum of the all selling, general and administrative expenses of the Borrower and its Consolidated Subsidiaries, plus any management fees and bonuses payable by the Borrower and its Consolidated Subsidiaries.

“PBGC” shall mean the Pension Benefit Guaranty Corporation or any successor thereto.

“Percentage” shall mean with respect to any Lender, the percentage of the Total Commitment represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Percentages shall be determined based upon the Commitments most recently in effect, giving effect to any assignments. “Permitted Co-Financed Item of Product” shall mean any Item of Product for which a portion of the negative cost thereof shall be co-financed by a Co-Financier (a) by cash-flowing such portion during the production period thereof, (b) by paying such portion upon Completion and delivery of such Item of Product or (c) in a manner otherwise acceptable to the Administrative Agent.

“Permitted Counterparty” shall mean (a) each Person approved by the Administrative Agent (or, if applicable, the primary distribution Subsidiary(ies) thereof approved by the Administrative Agent), provided, that the contemplated co-financing amount to be provided by such Person, together with the aggregate of all co-financings provided by such Person for other Permitted Co-Financed Items of Product, together with the aggregate amount of any Borrowing Base credit derived from receivables from such Person, does not exceed exposure

limitations set forth for such Person by the Administrative Agent and (b) any other Person acceptable (with respect to such Person's identity and creditworthiness) to the Administrative Agent with regard to a specific transaction; provided, however, that the Administrative Agent, in its discretion as it deems appropriate.

“Permitted Encumbrances” shall mean Liens permitted under Section 6.2 hereof.

“Person” shall mean any natural person, corporation, division of a corporation, limited liability company, partnership, trust, joint venture, association, company, estate, unincorporated organization or government or any agency or political subdivision thereof.

“Physical Materials” shall have the meaning given to such term in paragraph (iv) of the definition of “Collateral” herein.

“Pledged Collateral” shall mean the Pledged Securities and any proceeds (as defined in the PPSA or Section 9-102(64) of the UCC, as applicable) of the Pledged Securities.

“Pledged Securities” shall mean all of the issued and outstanding capital stock, partnership interests, membership interests, beneficial interests or other Equity Interests of or in each Credit Party, and each of its Subsidiaries, whether now formed or formed hereafter and whether now owned or hereafter acquired, including, without limitation, the securities listed on Schedule 3.7(b) hereto.

“Pledgeholder Agreement” shall mean a laboratory pledgeholder agreement among a Credit Party (or Credit Parties), the Administrative Agent, certain Licensees (as applicable) and one or more Laboratories, substantially in the form of Exhibit E-1 or Exhibit E-2 hereto, or in such other form and with such additional parties as shall be reasonably acceptable to the Administrative Agent, in each case, as the same may be amended, supplemented or otherwise modified, renewed, restated or replaced in accordance with the terms hereof.

“Pledgors” shall mean those Persons that own any of the Pledged Securities.

“Product Declaration” shall mean, with respect to any Item of Product produced by or on behalf of a Credit Party, a declaration substantially in the form of Exhibit L hereto.

“Production Account(s)” shall mean individually or collectively, as the context so requires, each demand deposit account(s) established by a Credit Party at a commercial bank located in the United States of America, Canada or otherwise acceptable to the Administrative Agent, for the sole purpose of paying the production costs of a particular Item of Product.

“Production Cost Reserve” shall mean, in the context of any Uncompleted Item of Product as to which any Borrowing Base credit has been taken, an amount equal to the Budgeted Negative Cost of such Item of Product (or, if greater, or if the budget for such Item of Product is not yet available, the Borrower's good faith estimate of the Credit Parties' share of the cost to Complete such Item of Product) less the sum of (i) the portion thereof previously funded directly by the Borrower or any of its Affiliates and (ii) the portion thereof that a Co-Financier that has entered into a Co-Financing Intercreditor Agreement has either previously funded, or committed to fund on a cash flow basis, towards the negative cost of such Item of Product. In the context of

episodic television programs, the Production Cost Reserve shall be established on a season-by-season, rather than episode-by-episode, basis (and shall be subject to adjustment, as appropriate, during the production of such season). Upon Completion of any Item of Product, the Production Cost Reserve for such Item of Product shall be reduced to zero.

“Pro Rata Share” shall mean (a) as such term is used in Section 13.6, each Lender’s pro rata share determined in accordance with such Lender’s Percentage, and (b) for all other purposes with respect to each Lender’s pro rata share determined in accordance with such Lender’s Percentage.

“PPSA” shall mean, unless otherwise provided in this Credit Agreement, the *Personal Property Security Act*, R.S.O. 1990 c.P.10 as heretofore and hereafter amended and in effect in the Province of Ontario, or, where the context requires, the legislation of the other provinces or territories of Canada, relating to security in personal property generally, including accounts receivable, as adopted by and in effect from time to time in such provinces or territories in Canada.

“Qualified ECP Guarantor” shall mean, in respect of any Swap Obligation, each Credit Party that has total assets exceeding \$10,000,000 at the time the relevant Guaranty or grant of the relevant security interest becomes or would become effective with respect to such Swap Obligation or such other Person as constitutes an “eligible contract participant” under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another Person to qualify as an “eligible contract participant” at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act

“Quiet Enjoyment” shall have the meaning given to such term in Section 8.13 hereof.

“Receivables Credit” shall have the meaning set forth on Annex A hereto.

“Regulation D” shall mean Regulation D of the Board as from time to time in effect and all official rulings and interpretations thereunder or thereof.

“Regulation T”, “Regulation U” and “Regulation X” shall mean Regulations T, U and X, respectively, of the Board as each is from time to time in effect and all official rulings and interpretations thereunder or thereof.

“Regulatory Change” shall mean, with respect to the Lenders, any change on or after the date of this Credit Agreement in United States Federal, state or foreign laws or regulations, including Regulation D, as in effect from time to time, or the adoption or making on or after such date of any interpretations, directives or requests applying to a class of banks, including the Lenders, of or under any United States Federal or state, or any foreign, laws or regulations (whether or not having the force of law) by any court or governmental or monetary authority charged with the interpretation or administration thereof.

“Reportable Event” shall mean any reportable event as defined in Section 4043(c) of ERISA, other than a reportable event as to which provision for 30-day notice to the PBGC has been waived under applicable regulations.

“Required Lenders” shall mean Lenders holding greater than 50% of the Total Commitment.

“Reserve Requirement” shall mean, for any Interest Period, the average maximum rate (expressed as a decimal) at which reserves (including without duplication or limitation, basic, supplemental, marginal and emergency reserves) are required to be maintained during such Interest Period under Regulation D (or similar regulations of the Board) against “Eurocurrency liabilities” (as such term is used in Regulation D) by banks. Without limiting the effect of the foregoing, but without duplication, the Reserve Requirement shall reflect any other reserves required to be maintained by the Lenders by reason of any Regulatory Change against (i) any category of liabilities which includes deposits by reference to which the LIBOR is to be determined as provided in the definition of “LIBOR Base Rate” or (ii) any category of extensions of credit or other assets which include the Loans.

“Reserved Commitment Amount” shall mean, at any time, the sum of (a) all of the Production Cost Reserves and (b) the Interest Reserve Amount.

“Restricted Payment” shall mean (a) any distribution, cash dividend or other direct or indirect payment on account of shares of any Equity Interest in any Credit Party, (b) any redemption or other acquisition, re-acquisition or retirement by a Credit Party of any Equity Interests in any Credit Party or any Affiliate thereof, now or hereafter outstanding, (c) any payment made by any Credit Party to retire, or obtain the surrender of, any outstanding warrants, puts or options or other rights to purchase or otherwise acquire any Equity Interest in any Credit Party or any Affiliate thereof, now or hereafter outstanding, (d) any payment or prepayment by a Credit Party of principal of, premium, if any, or interest on, or any redemption, purchase, retirement, defeasance, sinking fund or similar payment with respect to, any Subordinated Debt, the Cooking Channel Loan, or the Gorfolova Loan; (e) any payment of any kind to or for the benefit of an Affiliate of a Credit Party or any direct or indirect holder of any Equity Interests of a Credit Party, and (f) any payment under any Synthetic Purchase Agreement.

“Sanctions Laws and Regulations” shall mean:

(i) any sanctions, prohibitions or requirements imposed by any executive order (an “Executive Order”) or by any sanctions program administered by OFAC;

(ii) any sanctions, prohibitions or requirements imposed by the *Special Economic Measures Act* (Canada), the *United Nations Act*, (Canada), the *Freezing Assets of Corrupt Foreign Officials Act, Part II.1* of the *Criminal Code*, (Canada) and the *Export and Import Permits Act* (Canada), and any related regulations; and

(iii) any sanctions measures imposed by the United Nations Security Council, European Union or the United Kingdom.

“S&P” shall mean Standard & Poor’s.

“Schedule of Commitments” shall mean the schedule of Commitments of the Lenders set forth on Schedule 1 hereto.

“Secured Party” or “Secured Parties” shall mean the Administrative Agent, the Arranger, the Lenders (including any Lender that it is a Credit Party’s counterparty under a Currency Agreement or Swap Agreement permitted under Section 6.18 hereof), and any other Person which is secured by the Liens granted to the Administrative Agent hereunder and under the Fundamental Documents from time to time pursuant to the terms hereof and thereof.

“Security Documents” shall mean the Equity Interest Pledge Agreement, the UK Debenture, the UK Share Charge, the Ontario Security Agreement(s), the Canadian Pledge Agreements, and any other security documentation which is required to be or is otherwise executed by any Credit Party and delivered to the Administrative Agent in connection with this Credit Agreement or any of the documents listed above.

“Specified Permitted Encumbrances” shall mean those Liens permitted under Sections 6.2(b), (c), (f) (g), (h), (j) (provided the Cooking Channel Agreement is effective), (k), (l), (m) and (n) hereof.

“Subordinated Debt” shall mean Indebtedness of any of the Credit Parties which is unsecured and has interest rates, payment terms, maturities, amortization schedules, covenants, defaults, remedies, subordination provisions and other material terms in form and substance satisfactory to the Required Lenders, which shall at a minimum provide that such Indebtedness shall mature no earlier than one (1) year beyond the Maturity Date and that there shall be no mandatory payments of cash interest or principal thereon, and which shall be subordinated to the Obligations pursuant a subordination agreement with the Administrative Agent in form and substance acceptable to the Administrative Agent.

“Subsidiary” shall mean with respect to any Person, any corporation, association, joint venture, limited liability company, partnership or other Person (whether now existing or hereafter organized) of which any of the voting stock or other Equity Interests therein having ordinary voting power for the election of directors (or the equivalent) is, at the time as of which any determination is being made, owned or controlled by such Person or one or more subsidiaries of such Person.

“Swap Agreement” shall mean any agreement with respect to any swap, cap, collar, hedge, forward, future or derivative transaction, foreign exchange transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided, however, that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of any Credit Party shall be a Swap Agreement.

“Swap Obligation” shall mean, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act.

“Synthetic Purchase Agreement” shall mean any Swap Agreement, derivative or other agreement or combination of agreements pursuant to which any Credit Party is or may

become obligated to make (a) any payment in connection with a purchase by any third Person from a Person other than a Credit Party of any Equity Interest in any Credit Party or any Subordinated Debt, or (b) any payment (other than on account of a permitted purchase by it of any Equity Interest in any Credit Party or any Subordinated Debt) the amount of which is determined by reference to the price or value at any time of any Equity Interest in any Credit Party or any Subordinated Debt; provided, that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of a Credit Party or its Subsidiaries shall be a Synthetic Purchase Agreement.

“Taxes” shall mean all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Total Commitment” or “Total Commitments” shall mean the aggregate amount of the Commitments then in effect of all Lenders, as such amount may be increased and reduced from time to time in accordance with the terms of the Credit Agreement.

“Trademark Security Agreement” shall mean a Trademark Security Agreement substantially in the form of Exhibit F hereto to be executed by the Credit Parties, as such agreement may be amended, supplemented or otherwise modified, renewed, restated or replaced from time to time.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Alternate Base Rate or to LIBOR.

“UCC” shall mean the Uniform Commercial Code as in effect in the State of New York on the date of execution of this Credit Agreement (as such Uniform Commercial Code is amended from time to time).

“U.K. Credit Party” shall mean the U.K. Guarantor.

“UK Debenture” shall mean a Deed of Debenture executed by the U.K. Credit Party and the Administrative Agent in a form agreed between the U.K. Credit Party and the Administrative Agent, as the same may be amended, supplemented or otherwise modified, renewed or replaced from time to time.

“U.K. Guarantor” shall mean Tricon Films UK Limited, a company organized under the laws of England and Wales.

“UK Share Charge” shall mean the Deed executed by the Administrative Agent and the Credit Party that owns all Equity Interests in the U.K. Credit Party in a form agreed between the Credit Party and the Administrative Agent, as the same may be amended, supplemented or otherwise modified, renewed or replaced from time to time.

“Uncompleted” shall mean, with respect to an Item of Product, such Item of Product is not Completed.

“U.S. Credit Parties” shall mean the U.S. Guarantors.

“U.S. Dollar Cash Collateral Account” shall have the meaning given such term in Section 12.1.

“U.S. Dollar Clearing Account” shall mean the U.S. Dollar denominated account of the Administrative Agent as may be designated as such by the Administrative Agent from time to time.

“U.S. Dollar Collection Account” shall mean the account no. 1000152437199, maintained in the name of Tricon Media Holdings Inc, at SunTrust Bank, 303 Peachtree St. , 32nd Floor, Atlanta, GA, 30308, Attention: Brett Ross, ABA No.: 061000104, SWIFT code: SNTRUS3A.

“U.S. Dollar Equivalent” shall mean, on any Business Day with respect to any amount which is denominated in Canadian Dollars (or Euros, British Pounds or AUD, to the extent allowed pursuant to the terms hereof), the amount in U.S. Dollars determined by converting Canadian Dollars (or Euros, British Pounds or AUD) into U.S. Dollars at the Administrative Agent’s noon spot rate in effect on such Business Day, as determined by the Administrative Agent; provided, however, the Administrative Agent may, in its sole discretion, adjust the U.S. Dollar Equivalent for Canadian Dollars (or Euros, British Pounds or AUD) to reflect any hedging agreement in effect and provided, further, that the U.S. Dollar Equivalent of any Canadian Dollar Loan shall be calculated in accordance with the foregoing and in accordance with Section 2.11(f).

“U.S. Dollar Loans” shall mean the loans made hereunder denominated in U.S. Dollars in accordance with Section 2.1.

“U.S. Dollar Loan Interest Rate Type” shall have the meaning given to such term in Section 2.2(a).

“U.S. Dollars”, “US\$” and “\$” shall mean lawful money of the United States of America.

“U.S. Guarantors” shall mean all of the Guarantors which are organized under the laws of any jurisdiction in the United States.

“U.S. Plan” shall mean an employee benefit plan within the meaning of Section 3(3) of ERISA, other than a Multiemployer Plan, maintained or contributed to by any Credit Party, or any ERISA Affiliate, or any other plan covered by Title IV of ERISA that covers employees of the Credit Parties.

“USA Patriot Act” shall mean the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as amended, and the rules and regulations thereunder and successor thereto.

“USCO” shall mean the United States Copyright Office.

“USPTO” shall mean the United States Patent and Trademark Office.

2. THE LOANS

2.1 U.S. Dollar Loans.

(a) Each Lender, severally and not jointly, agrees, upon the terms and subject to the conditions hereof, to make loans of U.S. Dollars to the Borrower on any Business Day from the Closing Date to and including the Commitment Termination Date, each in an aggregate principal amount which when added to the aggregate principal amount of all U.S. Dollar Loans and Canadian Dollar Loans then outstanding to the Borrower from such Lender does not exceed such Lender’s Commitment.

(b) Subject to Section 2.2 hereof, the U.S. Dollar Loans shall be made at such times as the Borrower shall request.

(c) Subject to the terms and conditions of this Credit Agreement, the Borrower may borrow, repay and (until the Commitment Termination Date) re-borrow amounts constituting the Total Commitment.

(d) Notwithstanding anything to the contrary above, a Lender shall not be obligated to make any U.S. Dollar Loans if, as a result thereof, either (i) the sum of the aggregate principal amount of all Loans then outstanding would exceed its Commitment then in effect or (ii) the sum of the aggregate principal amount of all U.S. Dollar Loans then outstanding plus the U.S. Dollar Equivalent of the aggregate principal amount of all Canadian Dollar Loans then outstanding, plus the Reserved Commitment Amount would exceed the Borrowing Base; provided, that as of the date of any Borrowing to fund an amount included in the Reserved Commitment Amount, without double-counting, the applicable reserve amount shall not be deducted from the Total Commitment or the Borrowing Base for purposes of determining availability hereunder for such Borrowing.

2.2 Making of U.S. Dollar Loans.

(a) Each U.S. Dollar Loan shall be either an Alternate Base Rate Loan or a LIBOR Loan (each such type of U.S. Dollar Loan, a “U.S. Dollar Loan Interest Rate Type”) as the Borrower may request. Subject to Section 2.12(e), each Lender may at its option fulfill its Commitment with respect to any LIBOR Loan by causing a foreign branch or affiliate to make such U.S. Dollar Loan, provided that any exercise of such option shall not affect the obligation of the Borrower to repay such U.S. Dollar Loan in accordance with the terms hereof and of the Notes. Subject to the other provisions of this Section 2.2, Section 2.10 and Section 2.13, U.S. Dollar Loans of more than one U.S. Dollar Loan Interest Rate Type may be outstanding at the same time.

(b) Each U.S. Dollar Loan requested hereunder on any date shall be made by each Lender in accordance with its respective Percentage.

(c) The Borrower shall give the Administrative Agent prior written, facsimile or telephonic (promptly confirmed in writing) notice of each Borrowing hereunder in respect of a

U.S. Dollar Loan. Each such notice shall be irrevocable and to be effective must be received by the Administrative Agent not later than 2:00 p.m. New York City time, (i) in the case of Alternate Base Rate Loans, on the Business Day preceding the date on which such U.S. Dollar Loan is to be made and (ii) in the case of LIBOR Loans, on the third Business Day preceding the date on which such U.S. Dollar Loan is to be made. Such notice shall specify (A) the amount of the requested U.S. Dollar Loan, (B) the date on which such U.S. Dollar Loan is to be made (which shall be a Business Day) and (C) whether the U.S. Dollar Loan then being requested is to be (or what portion or portions thereof are to be) an Alternate Base Rate Loan or LIBOR Loan and the Interest Period or Interest Periods with respect thereto in the case of LIBOR Loans. In the case of a LIBOR Loan, if no election of an Interest Period is specified in such notice, such notice shall be deemed a request for an Interest Period of one month. If no election is made as to the Interest Rate Type of any U.S. Dollar Loan, such notice shall be deemed a request for an Alternate Base Rate Loan. No Borrowing shall consist of LIBOR Loans if after giving effect thereto an aggregate of more than ten (10) separate LIBOR Loans would be outstanding hereunder with respect to each Lender (determined in accordance with Section 2.10(c) hereof).

(d) The Administrative Agent shall promptly notify each affected Lender of its proportionate share of each Borrowing under Section 2.1, the date of such Borrowing, the U.S. Dollar Loan Interest Rate Type of each U.S. Dollar Loan being requested and the Interest Periods applicable thereto. On the borrowing date specified in such notice, each Lender shall make its share of the Borrowing available at the office of SunTrust Bank, 303 Peachtree St. , 32nd Floor, Atlanta, GA, 30308, Attention: Brett Ross, Vice President, Sports & Entertainment Specialty Group, for credit to the U.S. Dollar Clearing Account, no later than 12:00 p.m. New York City time, in federal or other immediately available funds. Upon receipt of the funds to be made available by the Lenders to fund any Borrowing of U.S. Dollar Loans hereunder, the Administrative Agent shall disburse such funds by depositing the requested amounts into an account specified by the applicable Borrower.

(e) On the date requested by the Borrower for the funding of each U.S. Dollar Loan, the Administrative Agent shall be authorized (but not obligated) to advance, for the account of each Lender, the amount of the U.S. Dollar Loan to be made by such Lender in accordance with its Percentage hereunder. Each Lender hereby authorizes and requests the Administrative Agent to advance for its account, pursuant to the terms hereof, the amount of the U.S. Dollar Loan to be made by it, and each Lender agrees forthwith to reimburse the Administrative Agent in immediately available funds for the amount so advanced on its behalf by the Administrative Agent. If any such reimbursement is not made in immediately available funds on the same day on which the Administrative Agent shall have made any such amount available on behalf of any Lender, then such Lender shall pay interest to the Administrative Agent equal to the Administrative Agent's cost of obtaining overnight funds in the New York Federal Funds Market for the three (3) Business Days following the time when the Lender fails to make the required reimbursement, and thereafter at a rate per annum equal to the Alternate Base Rate plus the Applicable Margin for Alternate Base Rate Loans. If and to the extent that any such reimbursement shall not have been made by any such Lender to the Administrative Agent, the Borrower agrees to repay to the Administrative Agent forthwith on demand a corresponding amount with interest thereon for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent at the Alternate Base Rate plus the Applicable Margin for Alternate Base Rate Loans.

(f) The aggregate amount of any Borrowing constituting U.S. Dollar Loans consisting of LIBOR Loans shall be in a minimum aggregate principal amount of US\$250,000 or such greater amount which is an integral multiple of US\$50,000 and the aggregate amount of any Borrowing constituting U.S. Dollar Loans consisting of Alternate Base Rate Loans shall be in a minimum aggregate principal amount of US\$100,000 or such greater amount which is an integral multiple of US\$50,000 (or, in each case, such lesser amount as shall equal the available but unused portion of the Total Commitment then in effect).

(g) Notwithstanding the provisions of Section 2.2(c) above or Section 2.4(c) below and/or the absence of a request from the Borrower that the Lenders make a Loan, the Administrative Agent may direct the Lenders to make Loans (but not in excess of the respective Commitments) in accordance with Section 13.1(b)(viii) hereof if an Event of Default shall have occurred and be continuing, with respect to any Item of Product being produced by a Credit Party and pay the proceeds thereof directly to the Persons providing services in connection with the production, delivery and distribution of such Item of Product so as to ensure Completion of such Item of Product and/or the collection of accounts receivable.

2.3 Canadian Dollar Loans.

(a) Each Lender, severally and not jointly, agrees, upon the terms and subject to the conditions hereof, to make loans of Canadian Dollars to the Borrower on any Business Day and from time to time from the Closing Date to and including the Commitment Termination Date, each in a principal amount which when added to the aggregate principal amount of all Canadian Dollar Loans and U.S. Dollar Loans then outstanding from such Lender, does not exceed such Lender's Commitment.

(b) Subject to Section 2.3 hereof, the Canadian Dollar Loans shall be made at such times as the Borrower shall request.

(c) Subject to the terms and conditions of this Credit Agreement, the Borrower may borrow, repay and (until the Commitment Termination Date) re-borrow amounts constituting the Total Commitment.

(d) Notwithstanding anything to the contrary above, a Lender shall not be obligated to make any Canadian Dollar Loans if, as a result thereof, either (i) the sum of the aggregate principal amount of all Loans then outstanding, would exceed the Total Commitment then in effect or (ii) the sum of the aggregate principal amount of all U.S. Dollar Loans then outstanding plus the U.S. Dollar Equivalent of the aggregate principal amount of all Canadian Dollar Loans then outstanding, plus the Reserved Commitment Amount would exceed the Borrowing Base; provided, that as of the date of any Borrowing to fund an amount included in the Reserved Commitment Amount, without double-counting, the applicable reserve amount shall not be deducted from the Total Commitment or the Borrowing Base for purposes of determining availability hereunder for such Borrowing.

2.4 Making of Canadian Dollar Loans.

(a) Each Canadian Dollar Loan shall accrue interest based on the CDOR Rate as set forth in Section 2.6(c) (the "Canadian Dollar Loan Interest Rate Type"). Subject to

Section 2.12(e), each Lender may at its option fulfill its Commitment with respect to any Canadian Dollar Loan by causing a foreign branch or affiliate to make such Canadian Dollar Loan, provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Canadian Dollar Loan in accordance with the terms hereof and of the Notes.

(b) Each Canadian Dollar Loan requested hereunder on any date shall be made by each Lender in accordance with its respective Percentage.

(c) The Borrower shall give the Administrative Agent prior written, facsimile or telephonic (promptly confirmed in writing) notice of each Borrowing hereunder in respect of a Canadian Dollar Loan. Each such notice shall be irrevocable and to be effective, must be received by the Administrative Agent not later than 10:00 a.m., New York City time, on the Business Day preceding the date on which such Loan is to be made and shall specify the amount of the proposed Borrowing and the date thereof (which shall be a Business Day). Such notice shall specify (A) the amount of the requested Canadian Dollar Loan and (B) the date on which such Canadian Dollar Loan is to be made (which shall be a Business Day).

(d) The Administrative Agent shall promptly notify each affected Lender of its proportionate share of each Borrowing under Section 2.3 and the date of such Borrowing. On the borrowing date specified in such notice, each Lender shall make its share of the Borrowing available at the office of the Administrative Agent for credit to the Canadian Dollar Clearing Account and in each case, no later than 12:00 noon New York City time in Canadian Dollars. Upon receipt of the funds to be made available by the Lenders to fund any Borrowing of Canadian Dollar Loans hereunder, the Administrative Agent shall disburse such funds by depositing the requested amounts into an account specified by the applicable Borrower.

(e) On the date requested by the Borrower for the funding of each Canadian Dollar Loan, the Administrative Agent shall be authorized (but not obligated) to advance, for the account of each Lender, the amount of the Canadian Dollar Loan to be made by such Lender in accordance with its Percentage hereunder. Each Lender hereby authorizes and requests the Administrative Agent to advance for its account, pursuant to the terms hereof, the amount of the Canadian Dollar Loan to be made by it, and each Lender agrees forthwith to reimburse the Administrative Agent in immediately available funds for the amount so advanced on its behalf by the Administrative Agent. If any such reimbursement is not made in immediately available funds on the same day on which the Administrative Agent shall have made any such amount available on behalf of any Lender, then such Lender shall pay interest to the Administrative Agent equal to the Administrative Agent's cost of obtaining overnight funds as stated by the Administrative Agent in accordance with applicable market practice for the three (3) Business Days following the time when the Lender fails to make the required reimbursement, and thereafter at a rate per annum equal to the CDOR Rate plus the Applicable Margin for CDOR Loans. If and to the extent that any such reimbursement shall not have been made by any such Lender to the Administrative Agent, the Borrower agrees to repay to the Administrative Agent forthwith on demand a corresponding amount with interest thereon for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent at the CDOR Rate plus the Applicable Margin for CDOR Loans

(f) The aggregate amount of any Borrowing constituting Canadian Dollar Loans shall be in a minimum aggregate principal amount of C\$250,000 or such greater amount which is an integral multiple of C\$50,000 (or, with respect to Loans, in each case, such lesser amount as shall equal the available but unused portion of the Total Commitment then in effect).

2.5 Notes; Repayment.

(a) Any Lender may request that the Loans made by such Lender hereunder be evidenced by a promissory note in such Lender's favor substantially in the form of Exhibit A hereto (each a "Note" and collectively the "Notes") in the face amount of such Lender's Commitment, as applicable, payable to the order of each such Lender, duly executed by the Borrower and dated as of the date hereof.

(b) The outstanding principal balance of each Loan shall be payable in full on the Maturity Date, subject to mandatory prepayment as provided in Section 2.11 hereof and acceleration as provided in Article 7 hereof.

(c) Each of the Loans shall bear interest on the outstanding principal balance thereof as set forth in Section 2.6 hereof. Each Lender and the Administrative Agent on its behalf is hereby authorized by the Borrower, but not obligated, to enter the amount of each Loan and the amount of each payment or prepayment of principal or interest thereon in the appropriate spaces on the reverse of or on an attachment to any Notes; provided, however, that the failure of any Lender or the Administrative Agent to set forth such Loans, principal payments or other information shall not in any manner affect the obligations of the Borrower to repay such Loans. Should a Lender determine not to obtain a Note, the Register shall be controlling as to evidence of the amount due to it absent manifest error.

2.6 Interest on Loans.

(a) In the case of a LIBOR Loan, interest shall be payable at a rate per annum (computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days) equal to LIBOR plus the Applicable Margin. Interest shall be payable on each LIBOR Loan in arrears on each applicable Interest Payment Date, on the Maturity Date and on the date of a conversion of such LIBOR Loan to an Alternate Base Rate Loan. The Administrative Agent shall determine the applicable LIBOR for each Interest Period as soon as practicable on the date when such determination is to be made in respect of such Interest Period and shall notify the Borrower and the Lenders of the applicable interest rate so determined. Such determination shall be conclusive absent manifest error.

(b) In the case of an Alternate Base Rate Loan, interest shall be payable at a rate per annum (computed on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days for Federal Funds Effective Rate loans, and over a year of 365/366 days for Prime Rate loans) equal to the Alternate Base Rate plus the Applicable Margin. Interest shall be payable on each Alternate Base Rate Loan in arrears on each applicable Interest Payment Date and on the Maturity Date.

(c) In the case of a CDOR Loan, interest shall be payable at a rate per annum (computed on the basis of the actual number of days elapsed over a year of three hundred sixty

(360) days) equal to CDOR plus the Applicable Margin. Interest shall be payable on each CDOR Loan in arrears on each applicable Interest Payment Date, on the Maturity Date and on the date of a conversion of such CDOR Loan to an Alternate Base Rate Loan. The Administrative Agent shall determine the applicable CDOR for each Interest Period as soon as practicable on the date when such determination is to be made in respect of such Interest Period and shall notify the Borrower and the Lenders of the applicable interest rate so determined. Such determination shall be conclusive absent manifest error.

(d) Interest in respect of any Loan hereunder shall accrue from and including the date of such Loan to, but excluding the date on which such Loan is paid or, if applicable, converted to a Loan of a different Interest Rate Type.

(e) Anything in this Credit Agreement or the Notes to the contrary notwithstanding, the interest rate on the Loans shall in no event be in excess of the maximum permitted by Applicable Law.

2.7 Commitment Fees and Other Fees.

(a) The Borrower agrees to pay to the Administrative Agent for the account of each Lender on the last Business Day of each March, June, September and December (commencing on the last Business Day of September, 2013) for the related calendar quarter prior to the Commitment Termination Date and on the Commitment Termination Date, an aggregate fee (the "Commitment Fees") equal to (i) 0.75% per annum so long as the Facility Usage for such quarter is less than or equal to 50% of the Total Commitments, and (ii) 0.50% per annum if the Facility Usage for such quarter is greater than 50% of the Total Commitments, in each case, computed on the basis of a 360 day year, on the average daily amount by which such Lender's Commitment during such quarter, as such Commitment may be reduced or increased in accordance with the provisions of this Credit Agreement, exceeds such Revolving Credit Lender's Pro Rata Share of the Facility Usage during such period or quarter.

(b) The Commitment Fees shall commence to accrue from the date hereof and shall continue to accrue until the Commitment Termination Date.

(c) The Borrower agrees to pay all other fees that are then due and payable pursuant hereto or pursuant to the Fee Letter.

2.8 Optional Termination or Reduction of Commitments.

(a) Upon at least three (3) Business Days' prior written, facsimile or telephonic notice (provided, that such telephonic notice is immediately followed by written or facsimile confirmation) to the Administrative Agent, the Borrower may at any time in whole or in part reduce or permanently terminate the Total Commitment. In the case of a partial reduction of the Total Commitment, each such reduction shall be in a minimum aggregate principal amount of US\$1,000,000 (or the U.S. Dollar Equivalent of Canadian Dollars) or an integral multiple thereof; provided, however, that the Total Commitment may not be reduced to an amount less than the sum of the aggregate principal amount of all Loans then outstanding, plus the Reserve Commitment Amount. Any partial reduction of the Total Commitments shall be made among the Lenders ratably in accordance with their respective Percentages.

(b) Simultaneously with each such termination or reduction of the Commitments, the Borrower shall pay to the Administrative Agent for the benefit of the Lenders all accrued and unpaid Commitment Fees on the amount of the Commitments so terminated or reduced through the date of such termination or reduction.

2.9 Default Interest; Alternate Rate of Interest.

(a) If the Borrower shall default in the payment when due of the principal of, or interest on any Loan becoming due hereunder, whether at stated maturity, by acceleration or otherwise, or the payment of any other amount becoming due hereunder after written notification from the Administrative Agent to the Borrower of such amount (which such notice shall be provided by the Administrative Agent if it is so instructed by the Required Lenders), the Borrower shall on demand in writing from time to time pay interest, to the extent permitted by Applicable Law, on all Loans and other overdue amounts outstanding from the due date thereof up to the date of actual payment of such defaulted amount (after as well as before judgment) (i) for the remainder of the then current Interest Period for each LIBOR Loan or CDOR Loan, at 2% in excess of the rate then in effect for each such LIBOR Loan or CDOR Loan, as applicable, and (ii) for all periods after the then current Interest Period for each LIBOR Loan or CDOR Loan, for all Alternate Base Rate Loans and for all other overdue amounts hereunder, at 2% in excess of the rate then in effect for Alternate Base Rate Loans.

(b) In the event, and on each occasion, that on the day two (2) Business Days prior to the commencement of any Interest Period for a LIBOR Loan, (i) the Administrative Agent shall have received notice from any Lender of such Lender's determination (which determination, absent manifest error, shall be conclusive) that Dollar deposits in the amount of the principal amount of such LIBOR Loan are not generally available in the London Interbank Market or that the rate at which such Dollar deposits are being offered will not adequately and fairly reflect the cost to such Lender of making or maintaining the principal amount of such LIBOR Loan during such Interest Period, or (ii) the Administrative Agent shall have determined that reasonable means do not exist for ascertaining the applicable LIBOR, the Administrative Agent shall, as soon as practicable thereafter, give written or facsimile notice of such determination to the Borrower and the Lenders, and any request by the Borrower for a LIBOR Loan (or conversion to or continuation as a LIBOR Loan pursuant to Section 2.10 hereof), made after receipt of such notice and until the circumstances giving rise to such notice no longer exist, shall be deemed to be a request for an Alternate Base Rate Loan; provided, however, that in the circumstances described in clause (i) above such deemed request shall only apply to the affected Lender's portion thereof. After such notice shall have been given and until the circumstances giving rise to such notice no longer exist, each request (or portion thereof, as the case may be) for a LIBOR Loan, to the extent such request relates to such affected Lender's portion shall be deemed to be a request for an Alternate Base Rate Loan.

(c) In the event, and on each occasion, that on the day two (2) Business Days prior to the commencement of any Interest Period for a CDOR Loan, (i) the Administrative Agent shall have received notice from any Lender of such Lender's determination (which determination, absent manifest error, shall be conclusive) that Canadian Dollar deposits in the amount of the principal amount of such CDOR Loan are not generally available or that the rate at which such Canadian Dollar deposits are being offered will not adequately and fairly reflect the

cost to such Lender of making or maintaining the principal amount of such CDOR Loan during such Interest Period, or (ii) the Administrative Agent shall have determined that reasonable means do not exist for ascertaining the applicable CDOR, the Administrative Agent shall, as soon as practicable thereafter, give written or facsimile notice of such determination to the Borrower and the Lenders, and any request by the Borrower for a CDOR Loan (or conversion to or continuation as a CDOR Loan pursuant to Section 2.10 hereof), made after receipt of such notice and until the circumstances giving rise to such notice no longer exist, shall be deemed to be a request for an Alternate Base Rate Loan in the U.S. Dollar Equivalent of Canadian Dollars for the principal amount of such CDOR Loan; provided, however, that in the circumstances described in clause (i) above such deemed request shall only apply to the affected Lender's portion thereof. After such notice shall have been given and until the circumstances giving rise to such notice no longer exist, each request (or portion thereof, as the case may be) for a CDOR Loan, to the extent such request relates to such affected Lender's portion shall be deemed to be a request for an Alternate Base Rate Loan in the U.S. Dollar Equivalent of Canadian Dollars for the principal amount of such CDOR Loan.

2.10 Continuation and Conversion of Loans. The Borrower shall have the right, at any time, (i) to convert any LIBOR Loan or CDOR Loan or portion thereof to an Alternate Base Rate Loan or to continue such LIBOR Loan or CDOR Loan or a portion thereof for a successive Interest Period, or (ii) to convert any Alternate Base Rate Loan or a portion thereof to a LIBOR Loan, subject to the following:

(a) whenever the Borrower elects to convert or continue Loans under this Section 2.10, the Borrower shall deliver to the Administrative Agent a Notice of Continuation/Conversion, signed by an Authorized Officer of the Borrower. Such notice shall be irrevocable and, to be effective, must be received by the Administrative Agent: (i) not later than 11:00 a.m. (New York time) two (2) Business Days in advance of the requested conversion date, in the case of a conversion into Alternate Base Rate Loans, and (ii) not later than 11:00 a.m. (New York time) three (3) Business Days in advance of the requested conversion or continuation date, in the case of a conversion into, or continuation of, LIBOR Loans or a continuation of CDOR Loans. The Notice of Continuation/Conversion shall specify: (1) the conversion or continuation date (which shall be a Business Day), (2) separately designate for the applicable Loans to be converted or continued, the amount and Type thereof, (3) the nature of the requested conversion or continuation, and (4) in the case of a conversion into, or continuation of, LIBOR Loans or continuation of CDOR Loans, the requested Interest Period;

(b) unless the Required Lenders otherwise consent, no Event of Default or Default shall have occurred and be continuing at the time of any conversion to a LIBOR Loan or CDOR Loan or continuation of any such LIBOR Loan or CDOR Loan into a subsequent Interest Period;

(c) no Alternate Base Rate Loan may be converted to a LIBOR Loan and no LIBOR Loan may be continued as a LIBOR Loan if, after such conversion or continuance, and after giving effect to any concurrent prepayment of Loans, an aggregate of more than ten (10) separate LIBOR Loans would be outstanding hereunder with respect to each Lender (for purposes of determining the number of such Loans outstanding, Loans with different Interest Periods shall be counted as different Loans even if made on the same date);

(d) if fewer than all Loans at the time outstanding shall be continued or converted, such continuation or conversion shall be made pro rata among the Lenders in accordance with the respective Percentage of the principal amount of such Loans held by the Lenders immediately prior to such continuation or conversion;

(e) the aggregate principal amount of Loans continued as or converted to LIBOR Loans (or continued as CDOR Loans) as part of the same Borrowing shall be \$250,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) or such greater amount which is an integral multiple of \$100,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof);

(f) accrued interest on the LIBOR Loans or CDOR Loans (or portion thereof) being continued shall be paid by the Borrower at the time of continuation;

(g) the Interest Period with respect to a new LIBOR Loan effected by a continuation or conversion (or a new CDOR Loan effected by a continuation) shall commence on the date of such continuation or conversion;

(h) if a LIBOR Loan or CDOR Loan is converted to another Type of Loan prior to the last day of the Interest Period with respect thereto, the amounts required by Section 2.11(b) hereof shall be paid upon such conversion;

(i) each request for a continuation as or conversion to a LIBOR Loan (or for a continuation of a CDOR Loan) which fails to state an applicable Interest Period shall be deemed to be a request for an Interest Period of one (1) month; and

(j) in the event that the Borrower shall not timely give the Administrative Agent a Notice of Continuation/Conversion for any LIBOR Loan or CDOR Loan as provided above, then such Loan (unless repaid) shall automatically be converted to an Alternate Base Rate Loan at the expiration of the then current Interest Period. In such instance, any CDOR Loan shall be converted from Canadian Dollars to U.S. Dollars at the current exchange rate in the spot market for amounts equal to the principal amount of the applicable Loan on such date.

The Administrative Agent shall, after it receives a Notice of Continuation/Conversion from the Borrower, promptly give the Lenders notice of any continuation or conversion. Any Notice of Continuation/Conversion made pursuant to this Section 2.10 shall be irrevocable and the Borrower shall be bound to continue or convert the Loan specified therein in accordance therewith.

2.11 Voluntary and Mandatory Prepayment of Loans; Reimbursement of Lenders.

(a) Subject to the terms of Section 2.11(b) below, the Borrower shall have the right at its option at any time and from time to time to prepay without premium or penalty (i) any Alternate Base Rate Loan, in whole or in part, upon at least one (1) Business Day's prior written, telephonic (promptly confirmed in writing) or facsimile notice to the Administrative Agent, in a minimum aggregate principal amount of \$100,000 or such greater amount which is an integral multiple of \$50,000 if prepaid in part, or the remaining balance of such Loan if prepaid in full, (ii) any LIBOR Loan, in whole or in part, upon at least three (3) Business Days' prior written,

telephonic (promptly confirmed in writing) or facsimile notice, in a minimum aggregate principal amount of \$100,000 or such greater amount which is an integral multiple of \$50,000 if prepaid in part, or the remaining balance of such Loan if prepaid in full, and (iii) any Canadian Dollar Loan, in whole or in part, upon at least three (3) Business Days' written, telephonic (promptly confirmed in writing) or telegraphic notice, in the minimum principal amount of C\$100,000 or such greater amount which is an integral multiple of C\$50,000. Each notice of prepayment shall specify the prepayment date, each Loan to be prepaid and the principal amount thereof, shall be irrevocable and shall commit the Borrower to prepay such Loan in the amount and on the date stated therein. All prepayments under this Section 2.11(a) shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to (but not including) the date of prepayment.

(b) The Borrower shall reimburse each Lender on demand for any loss, cost or expense incurred or to be incurred by any such Lender in the reemployment of the funds released (i) by any prepayment (for any reason) of any LIBOR Loan or CDOR Loan if such Loan is repaid prior to the last day of the Interest Period for such Loan, or (ii) in the event that after the Borrower delivers a notice of Borrowing under Section 2.2(c) or 2.4(c) hereof or a notice of continuation or conversion of a Borrowing under Section 2.10(a) hereof in respect of LIBOR Loans or CDOR Loans, such Loan is not made, converted to or continued as a LIBOR Loan (or continued as a CDOR Loan) on the first day of the Interest Period specified in such notice of Borrowing for any reason other than (A) a suspension or limitation under Section 2.7(b) hereof of the right of the Borrower to select a LIBOR Loan or CDOR Loan, (B) a breach by any such Lender of its obligation to fund such Borrowing when it is otherwise required to do so hereunder, or (C) a repayment resulting from a conversion required by a Lender pursuant to Section 2.10(a) hereof. Such loss, cost or expense shall be the amount as reasonably determined by such Lender as the excess, if any, of (I) the amount of interest which would have accrued to such Lender on the amount so paid or not borrowed, continued or converted at a rate of interest equal to the interest rate applicable to such Loan pursuant to Section 2.4 hereof, for the period from the date of such payment or failure to borrow, continue or convert to the last day (x) in the case of a payment prior to the last day of the Interest Period for such Loan, of the then current Interest Period for such Loan, or (y) in the case of a failure to borrow, continue or convert, of the Interest Period for such Loan which would have commenced on the date of such failure to borrow, continue or convert, over (II) the amount realized or to be realized by such Lender in reemploying the funds not advanced or the funds received in prepayment or realized from the Loan not so continued or converted during the period referred to above. Each Lender shall deliver to the Borrower from time to time one or more certificates setting forth the amount of such loss, cost or expense (and in reasonable detail the manner of computation thereof) as determined by such Lender, which certificates shall be conclusive absent manifest error. The Borrower shall pay such Lender the amounts shown on such certificate within ten (10) Business Days of the Borrower's receipt of such certificate. The Administrative Agent or any affected Lender is hereby authorized (but not obligated) to debit any deposit account of any Credit Party now or hereafter maintained by such Credit Party at such entity (including, without limitation, the Clearing Accounts, any Cash Collateral Account or any Collection Account) to pay any such amounts that are not paid when due.

(c) In the event the Borrower fails to prepay any Loan on the date specified in any prepayment notice delivered pursuant to Section 2.11(a) hereof, the Borrower shall pay to

the Administrative Agent for the account of the applicable Lender any amounts required to compensate such Lender for any actual loss incurred by such Lender as a result of such failure to prepay, including, without limitation, any loss, cost or expenses incurred by reason of the acquisition of deposits or other funds by such Lender to fulfill deposit obligations incurred in anticipation of such prepayment. Each Lender shall deliver to the Borrower and the Administrative Agent from time to time one or more certificates setting forth the amount of such loss, cost or expense (and in reasonable detail the manner of completion thereof) as determined by such Lender, which certificates shall be conclusive absent manifest error. The Borrower shall pay such Lender the amounts shown on such certificate within ten (10) Business Days of the Borrower's receipt of such certificate. The Administrative Agent or any affected Lender is hereby authorized (but not obligated) to debit any deposit account of any Credit Party now or hereafter maintained by such Credit Party at such entity (including, without limitation, the Clearing Account, any Cash Collateral Account or any Collection Account) to pay any such amounts that are not paid when due.

(d) The Obligations shall be paid in full on the Maturity Date.

(e) If at any time the sum of the Facility Usage plus the Reserved Commitment Amount exceeds the Total Commitment or if at any time the Facility Usage exceeds the Borrowing Base, in either case the Borrower shall within five (5) Business Days prepay the Loans outstanding in an amount necessary to eliminate such excess.

(f) On the twentieth day of each month (or such earlier date in such month when a Borrowing Base Certificate is delivered pursuant to Section 5.1(c) hereof), the Administrative Agent will determine the aggregate principal amount of the U.S. Dollar Loans outstanding, the U.S. Dollar Equivalent of the aggregate principal amount of the Canadian Dollar Loans outstanding, and the U.S. Dollar Equivalent of all components of the Borrowing Base denominated in Canadian Dollars. If at any such time, or on any other date on which the Administrative Agent in its sole discretion chooses to make any such determination, the Administrative Agent shall have determined that the sum of the aggregate principal amount of all Loans then outstanding plus the Reserve Commitment Amount exceeds the Borrowing Base by more than 2.50% due only to a change in applicable rates of exchange between U.S. Dollars on the one hand and Canadian Dollars on the other, then the Administrative Agent shall give notice to the Borrower that a prepayment is required hereunder and the Borrower agrees to make prepayments of Loans selected by the Borrower within five (5) Business Days of Borrower's receipt of such notice such that, after giving effect to such prepayments, the sum of the aggregate principal amount of all Loans then outstanding plus the Reserve Commitment Amount does not exceed the Borrowing Base. If an Event of Default has occurred and is continuing, all receipts of any Credit Parties shall be applied to satisfy the Obligations in the manner set forth in Section 8.7 hereof.

(g) Simultaneously with each termination and/or optional reduction of the Total Commitments pursuant to Section 2.6 hereof, the Borrower shall pay to the Administrative Agent for the benefit of the Lenders an amount equal to the excess (if any) of (i) the sum of the Facility Usage plus the Reserved Commitment Amount over (ii) the reduced Total Commitments.

(h) Unless otherwise designated in writing by the Borrower, all prepayments shall be applied to the applicable principal payment set forth in this Section 2.11, (i) if made in respect of U.S. Dollar Loans, first to that amount of such applicable principal payment then maintained as Alternate Base Rate Loans by the Borrower, and then, to that amount of such applicable principal payment maintained as LIBOR Loans by the Borrower in order of the scheduled expiry of Interest Periods with respect thereto, and (ii) if made in respect of Canadian Dollar Loans, to that amount of such applicable principal payment then maintained as Canadian Dollar Loans.

(i) All prepayments shall be accompanied by accrued but unpaid interest on the principal amount being prepaid to but not including the date of prepayment.

(j) If on any day on which the Loans would otherwise be required to be prepaid but for the operation of this Section 2.11(j) (each a “Prepayment Date”), the amount of such required prepayment exceeds the sum of the then outstanding aggregate principal amount of the U.S. Dollar Loans that constitute Alternate Base Rate Loans plus the then outstanding aggregate principal amount of Canadian Dollar Loans, and no Default or Event of Default is then continuing, then on such Prepayment Date the Borrower may, at its option, deposit U.S. Dollars or Canadian Dollars, as applicable, into the appropriate Cash Collateral Account in an amount equal to such excess (or the U.S. Dollar Equivalent of such excess, as applicable). If the Borrower make such deposit then (i) only the outstanding Alternate Base Rate Loans or Canadian Dollar Loans shall be required to be prepaid on such Prepayment Date and (ii) on the last day of each Interest Period with respect to any LIBOR Loan in effect after such Prepayment Date, the Administrative Agent is irrevocably authorized and directed to apply funds from the appropriate Cash Collateral Account, if any, (and liquidate investments held in such cash collateral account as necessary) to prepay LIBOR Loans for which the Interest Period is then ending until the aggregate of such prepayments equals the prepayment which would have been required on such Prepayment Date but for the operation of this Section 2.11(j).

(k) Except as otherwise specifically provided in this Article 2, should any payment or prepayment of principal of or interest on the Notes or any other amount due hereunder, become due and payable on a day other than a Business Day, the due date of such payment or prepayment shall be extended to the next succeeding Business Day and, in the case of a payment or prepayment of principal, interest shall be payable thereon at the rate herein specified during such extension.

2.12 Increased Costs.

(a) If any Change in Law shall:

(i) subject any Lender to, or increase the net amount of, any tax, levy, impost, duty, charge, fee, deduction or withholding with respect to any Loan (other than withholding tax imposed by any jurisdiction, or any political subdivision or taxing authority thereof or therein (the “Relevant Taxing Authority”) or any other tax, levy, impost, duty, charge, fee, deduction or withholding (x) that is measured with respect to the overall net income (and, in the case of Canada, capital) of such Lender or of a Lending Office of such Lender, and that is imposed by the jurisdiction in which such Lender or Lending Office is incorporated or carries on

business, in which such Lending Office is located, managed or controlled or in which such Lender has its principal office or another presence which is not required by this transaction (or any political subdivision or taxing authority thereof or therein), or (y) that is imposed solely by reason of any Lender failing to make a declaration of, or otherwise to establish, nonresidence, or to make any other claim for exemption, or otherwise to comply with any certification, identification, information, documentation or reporting requirements prescribed under the laws of the relevant jurisdiction, in those cases where a Lender may properly make such declaration or claim or so establish nonresidence or otherwise comply); or

(ii) change the basis of taxation of any payment to any Lender of principal of or interest on any Loan or other fees and amounts payable to any Lender hereunder, or any combination of the foregoing, other than withholding tax imposed by a Relevant Taxing Authority or any other tax, levy, impost, duty, charge, fee, deduction or withholding that is measured with respect to the overall net income (and, in the case of Canada, capital) of such Lender or of a Lending Office of such Lender, and that is imposed by the jurisdiction in which such Lender or Lending Office is incorporated or carries on business, in which such Lending Office is located, managed or controlled or in which such Lender has its principal office or another presence which is not required by this transaction (or any political subdivision or taxing authority thereof or therein); or

(iii) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the LIBOR); or

(iv) impose on any Lender or the London interbank market any other condition affecting this Credit Agreement or LIBOR Loans made by such Lender or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any LIBOR Loan (or of maintaining its obligation to make any such LIBOR Loan), then the Borrower will pay to such Lender, as the case may be, such additional amount or amounts as will compensate such Lender, as the case may be, for such additional costs incurred or reduction suffered; provided, however, that (a) the Borrower shall not be obligated to pay such compensation to any Lender on account of any Change in Law affecting or altering the Excluded Taxes and (b) any amounts in respect of Indemnified Taxes and Other Taxes shall be governed exclusively by Section 2.15 hereof.

(b) If any Lender determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Credit Agreement or the Loans made by such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender, as the case may be, such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) A certificate of a Lender setting forth in reasonable detail the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, the changes as a result of which such amounts are due and the manner of computing such amounts, as specified in Section 2.12(a) or (b) hereof shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender, as the case may be, the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof. Notwithstanding any other provision of this Section 2.12, no Lender shall demand or be entitled to compensation for any increased cost or reduction referred to in Section 2.12(a) or (b) hereof if it shall not be the general policy or practice of such Lender to demand such compensation in similar circumstances.

(d) Failure or delay on the part of any Lender to demand compensation pursuant to this Section 2.12 shall not constitute a waiver of such Lender's right to demand such compensation; provided, that the Borrower shall not be required to compensate a Lender pursuant to this Section 2.12 for any increased costs or reductions incurred more than two hundred seventy (270) days prior to the date that such Lender, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor; provided, further, that if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof.

(e) Each Lender agrees that after it becomes aware of the occurrence of an event or the existence of a condition that (i) would cause it to incur any increased cost hereunder or render it unable to perform its agreements hereunder for the reasons specifically set forth in Section 2.9(b), this Section 2.12 or Section 2.15 hereof or (ii) would require the Borrower to pay an increased amount under Section 2.9(b), this Section 2.12 or Section 2.15 hereof, it will use reasonable efforts to notify the Borrower of such event or condition and, to the extent not inconsistent with such Lender's internal policies, will use its reasonable efforts to make, fund or maintain the affected Loans of such Lender, through another Lending Office of such Lender if as a result thereof the additional monies which would otherwise be required to be paid or the reduction of amounts receivable by such Lender thereunder in respect of such Loans or participations therein would be materially reduced, or such inability to perform would cease to exist, or the increased costs which would otherwise be required to be paid in respect of such Loans or participations therein pursuant to Section 2.9(b), this Section 2.12 or Section 2.15 hereof would be materially reduced or Taxes or other amounts otherwise payable under Section 2.9(b), this Section 2.12 or Section 2.15 hereof would be materially reduced, and if, as determined by such Lender, in its discretion, the making, funding or maintaining of such Loans through such other Lending Office would not otherwise materially adversely affect such Loans, or such Lender. Notwithstanding the foregoing, a failure on the part of any Lender to provide notice or take any other action pursuant to this Section 2.12(e) shall not affect the Borrower's obligation to make any payments or deductions required by this Article 2. The Borrower hereby agrees to pay all reasonable, actual, documented and fairly allocated costs and expenses incurred by any Lender, as the case may be, in connection with any such designation or assignment.

2.13 Change in Legality.

(a) Notwithstanding anything to the contrary contained elsewhere in this Credit Agreement, if any change after the date hereof in any Applicable Law, guideline or order, or in the interpretation thereof by any Governmental Authority charged with the administration thereof, shall make it unlawful for any Lender to make or maintain any LIBOR Loan or CDOR Loan or to give effect to its obligations as contemplated hereby with respect to a LIBOR Loan or CDOR Loan, then, by written notice to the Borrower and the Administrative Agent, such Lender may (i) declare that LIBOR Loans and CDOR Loans will not thereafter be made by such Lender hereunder for as long as such condition may be continuing, and/or (ii) require that, subject to Section 2.11(b) hereof, all outstanding LIBOR Loans and/or CDOR Loans made by it be converted to Alternate Base Rate Loans, whereupon all of such LIBOR Loans and/or CDOR Loans, as applicable shall automatically be converted to Alternate Base Rate Loans, as of the effective date of such notice as provided in Section 2.13(b) below (In such instance, any CDOR Loan shall be converted from Canadian Dollars to U.S. Dollars at the Administrative Agent's current exchange rate on such date.). Such Lender's pro rata portion of any subsequent LIBOR Loan shall, instead, be an Alternate Base Rate Loan unless such declaration is subsequently withdrawn.

(b) A notice to the Borrower by any Lender pursuant to Section 2.13(a) above shall be effective for purposes of clause (ii) thereof, if lawful, on the last day of the current Interest Period for each outstanding LIBOR Loan and CDOR Loan; and in all other cases, on the date of receipt of such notice by the Borrower.

2.14 Manner of Payments. Subject to Section 2.18 hereof, all payments of principal and interest by the Borrower in respect of any Loans to it shall be remitted to the Lenders in accordance with their Pro Rata Share of the outstanding Loans and all Borrowings of any Loans by the Borrower hereunder shall be made by the Lenders in accordance with their Pro Rata Share thereof. All payments by the Borrower hereunder and under the Notes shall be made without offset or counterclaim, in immediately available funds, at the office of SunTrust Bank, 303 Peachtree St., 32nd Floor, Atlanta, GA, 30308, Attention: Brett Ross, Vice President, Sports & Entertainment Specialty Group, no later than 12:00 p.m., New York City time, on the date on which such payment shall be due. Any payment received at such office after such time shall be deemed received on the following Business Day. Interest in respect of any Loan hereunder shall accrue from and including the date of such Loan to but excluding the date on which such Loan is paid or converted to a Loan of a different Type.

2.15 Taxes.

(a) Any and all payments by or on account of any obligation of the Borrower hereunder shall, to the extent permitted by Applicable Law, be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided, however, that if the Borrower shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.15) the Administrative Agent or the applicable Lender (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.

(b) In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(c) The Borrower shall indemnify the Administrative Agent and each Lender, within ten (10) Business Days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Administrative Agent or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrower hereunder (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.15) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate setting forth in reasonable detail the nature and amount of such payment or liability delivered to the Borrower by a Lender, or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Each Lender shall deliver to the Borrower and to the Administrative Agent, when reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by Applicable Law or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the Borrower or the Administrative Agent, as the case may be, to determine (A) whether or not payments made hereunder are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) such Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to such Lender by the Borrower pursuant to this Credit Agreement or otherwise to establish such Lender's status for withholding tax purposes in the applicable jurisdiction. Without limiting the foregoing:

(i) Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the Borrower is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Credit Agreement shall deliver to the Borrower (with a copy to the Administrative Agent), on or prior to the Initial Date with respect to such Foreign Lender (and from time to time thereafter at the time or times prescribed by Applicable Law or upon the request of the Borrower or the Administrative Agent), two (2) copies of either U.S. Internal Revenue Service Form W-8BEN or Form W-8ECI, or, in the case of a Foreign Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a Form W-8BEN, or any subsequent versions thereof or successors thereto, duly executed and properly completed by such Foreign Lender;

(ii) If a payment made to a Foreign Lender would be subject to United States federal withholding Tax imposed by FATCA if such Foreign Lender fails to comply with the applicable reporting requirements of FATCA, such Foreign Lender shall deliver to the

Administrative Agent and the Borrower at the time or times prescribed by Applicable Law and at such time or times reasonably requested by the Borrower or the Administrative Agent, such documentation under any Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) or reasonably requested by the Administrative Agent or the Borrower sufficient for the Administrative Agent or the Borrower to comply with their respective obligations under FATCA and to determine that such Foreign Lender has complied with such applicable reporting requirements, or to determine the amount to deduct and withhold, if any, from such payment. Solely for purposes of this clause “(ii),” the definition of the term “FATCA” shall include any amendments made to FATCA after the date hereof; and

(iii) Any Lender that is not a Foreign Lender and has not otherwise established to the reasonable satisfaction of the Borrower and the Administrative Agent that it is an exempt recipient (as defined in Section 6049(b)(4) of the Code and the regulations thereunder) shall deliver to the Borrower (with a copy to the Administrative Agent) on or prior to the Initial Date with respect to such Lender (and from time to time thereafter as prescribed by Applicable Law or upon the request of the Borrower or the Administrative Agent), a duly executed and properly completed copy of Internal Revenue Service Form W-9 (or any subsequent versions thereof or successors thereto).

(f) If the Administrative Agent or a Lender determines, in its sole discretion, that it has received a refund of or any credit for any Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 2.15, it shall pay over such refund or credit to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 2.15 with respect to the Taxes or Other Taxes giving rise to such refund or credit), net of all out-of-pocket expenses of the Administrative Agent or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund or credit); provided, that the Borrower, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund or credit to such Governmental Authority. This Section 2.15 shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Borrower or any other Person.

2.16 Interest Adjustments/Interest Act (Canada).

(a) If the provisions of this Credit Agreement or any Note would at any time require payment by the Borrower to a Lender of any amount of interest in excess of the maximum amount then permitted by the law applicable to any Loan, the interest payments to that Lender shall be reduced to the extent necessary so that such Lender shall not receive interest in excess of such maximum amount. If, as a result of the foregoing, a Lender receives interest payments hereunder or under a Note in an amount less than the amount otherwise provided hereunder, such deficit (hereinafter called the “Interest Deficit”) will, to the fullest extent permitted by Applicable Law, cumulate and will be carried forward (without interest) until the termination of this Credit Agreement. Interest otherwise payable to a Lender hereunder or under

a Note for any subsequent period shall be increased by the maximum amount of the Interest Deficit that may be so added without causing such Lender to receive interest in excess of the maximum amount then permitted by the law applicable to the Loans.

(b) The amount of any Interest Deficit relating to a particular Loan and Note shall be treated as a prepayment penalty and shall, to the fullest extent permitted by Applicable Law, be paid in full at the time of any optional prepayment by the Borrower to the Lenders of all the Loans at that time outstanding pursuant to Section 2.11(a) hereof. The amount of any Interest Deficit relating to a particular Loan and Note at the time of any complete payment of the Loans at that time outstanding (other than an optional prepayment thereof pursuant to Section 2.11(a) hereof) shall be canceled and not paid.

(c) For the purposes of this Credit Agreement, whenever interest on a Canadian Dollar Loan is calculated on the basis of a period which is less than the actual number of days in a calendar year, the yearly rate to which each rate of interest determined pursuant to such calculation is, for the purposes of the Interest Act (Canada), equivalent to each such rate multiplied by the actual number of days in the calendar year in which such rate is to be ascertained and divided by the number of days used as the basis of such calculation.

2.17 Replacement of Lenders. If (i) any Lender requests compensation under Section 2.12, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.15, (iii) any Lender is a Defaulting Lender or (iv) any Lender does not consent to any waiver, consent or modification requested by the Borrower (but only where the consent of all Lenders or “each affected Lender” is required for such waiver, consent or modification and the Borrowers obtain approval for the waiver, consent or modification from other Lenders holding at least 75% of the Total Commitments, then the Borrower may, at its sole expense and effort and upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 14.3), all of its interests, rights and obligations under this Credit Agreement to another Lender or to an Eligible Assignee, in each case which shall assume such obligations and which accepts such assignment; provided, that (i) the Borrower shall have received the prior written consent of the Administrative Agent in its sole and absolute discretion, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts then payable to it hereunder from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts, including any amounts that would have been payable under Section 2.11(b) had the Lender’s Loans been prepaid rather than assigned), (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.12 or payments required to be made pursuant to Section 2.15, such assignment will result in a reduction in such compensation or payments and (iv) in the case of any such assignment resulting from the failure to provide a consent, the assignee agrees to be bound by the terms of such waiver, consent or modification (as applicable). With respect to any waiver, consent or modification requested by the Borrower, this Section 2.17 shall only be effective until the Borrower has obtained consent from a sufficient number of Lenders to effectuate the desired waiver, consent or modification. No Lender shall be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by

such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation ceases to apply.

2.18 Defaulting Lenders. Notwithstanding any provision of this Credit Agreement to the contrary, if any Lender becomes a Defaulting Lender, the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) fees shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Lender pursuant to Section 2.7 hereof;

(b) the Commitment and Facility Usage of such Defaulting Lender shall not be included in determining whether all Lenders or the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or modification pursuant to Section 14.10 hereof); provided, that any amendment, waiver or modification requiring the consent of all Lenders or each affected Lender which affects such Defaulting Lender or all Defaulting Lenders differently than other affected Lenders shall require the consent of such Defaulting Lender;

(c) any Reserved Commitment Amount in existence at a time that a Lender becomes a Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Percentages but only to the extent that the sum of (A) all non-Defaulting Lenders' collective Pro Rata Shares of the Facility Usage (after adjustment pursuant to this Section 2.18) and of the Reserved Commitment Amount immediately prior to giving effect to such reallocation, plus (B) the Defaulting Lender's Pro Rata Share of the Reserved Commitment Amount, in each case at such time, does not exceed the sum of all non-Defaulting Lenders' aggregate Commitments at such time;

(d) so long as no Event of Default shall have occurred and be continuing, any amount payable to such Defaulting Lender (other than a Lender which is a Defaulting Lender solely as a result of clause (e) of the definition of "Defaulting Lender" herein, but which Defaulting Lender has otherwise fulfilled all of its obligations under this Credit Agreement) hereunder (whether on account of principal, interest, fees or otherwise and including any amount that would otherwise be payable to such Defaulting Lender pursuant to Section 13.3 hereof but excluding payments to the Defaulting Lender pursuant to Section 14.10(b) hereof) shall, in lieu of being distributed to such Defaulting Lender, be retained by the Administrative Agent in a segregated account and, subject to any applicable requirements of law, be applied at such time or times as may be determined by the Administrative Agent (i) first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder, (ii) second, to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its Pro Rata Share as required by this Credit Agreement, (iii) third, if so determined by the Administrative Agent and the Borrower, held in such account as cash collateral for future funding obligations of the Defaulting Lender under this Credit Agreement, (iv) fourth, pro rata, to the payment of any amounts owing to the Borrower or the Lenders as a result of (A) a written acknowledgement of such Defaulting Lender of its breach of its obligations under this Credit Agreement or (B) any judgment of a court of competent jurisdiction obtained by the Borrower or any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Credit Agreement, and (v) fifth, to such Defaulting Lender or as otherwise directed by a

court of competent jurisdiction; provided, that if such payment is (x) a prepayment of the principal amount of any outstanding Loans with respect to which a Defaulting Lender has funded its participation obligations, and (y) made at a time when the conditions set forth in Section 4.3 hereof are satisfied, such payment shall be applied solely to prepay the outstanding Loans of, and reimbursement obligations owed to, all non-Defaulting Lenders pro rata prior to being applied to the prepayment of any outstanding Loans of, or reimbursement obligations owed to, such Defaulting Lender;

(e) upon the occurrence and during the continuance of an Event of Default, all amounts which would otherwise be payable to the Defaulting Lender (other than a Lender which is a Defaulting Lender solely as a result of clause (e) of the definition of “Defaulting Lender” herein, but which Defaulting Lender has otherwise fulfilled its obligations under this Credit Agreement) shall, in lieu of being distributed to such Defaulting Lender, be applied first, to satisfy in full the Obligations owing to the Administrative Agent and the non-Defaulting Lenders in accordance with the other provisions of this Credit Agreement; second, to satisfy any damage claims of the Administrative Agent and the non-Defaulting Lenders against such Defaulting Lender for its failure to fulfill its obligations under this Credit Agreement; and third, the balance, if any, to satisfy the Obligations owing to such Defaulting Lender;

(f) neither the provisions of this Section 2.18, nor the provisions of any other section of this Credit Agreement relating to a Defaulting Lender, are intended by the parties hereto to constitute liquidated damages. Subject to the limitations contained in Section 14.8 hereof regarding special, indirect, consequential and punitive damages, each of the Administrative Agent, each non-Defaulting Lender and each Credit Party hereby reserves its respective rights to proceed against such Defaulting Lender for any damages incurred as a result of it becoming a Defaulting Lender hereunder. For purposes of establishing a damages claim, with regard to any obligations of a Defaulting Lender allocated to and/or performed by another party to this Credit Agreement, that Defaulting Lender shall be deemed to have received a notice from the Administrative Agent with regard to such obligations and to have failed to perform them; and

(g) for the avoidance of doubt, the Borrower shall not be liable to any Defaulting Lender as a result of any action taken by the Administrative Agent in accordance with this Section 2.18.

2.19 Provisions Relating to the Borrowing Base.

(a) The Administrative Agent or the Required Lenders may from time to time by written notice to the Borrower (i) delete any Person or Affiliated Group from Annex B or (ii) decrease the Allowable Amount for any Acceptable Obligor, in each case, as the Administrative Agent or the Required Lenders, as the case may be, acting in good faith may deem appropriate as a result of a change in the circumstances of such Person or Affiliated Group. Any such notice shall be prospective only, *i.e.*, to the extent that giving effect to such notice would otherwise result in a mandatory prepayment by a Borrower under Section 2.11, such notice shall not be given effect for purposes of such mandatory prepayment, but shall nevertheless be effective for all other purposes under this Credit Agreement.

(b) The Required Lenders may (either independently or after a request has been received from the Borrower) from time to time by written notice to the Borrower add or reinstate a Person or Affiliated Group to Annex B or increase the Allowable Amount for any Acceptable Obligor, as they may in their discretion deem appropriate.

(c) In the event the Administrative Agent or the Required Lenders notifies the Borrower that a Person or Affiliated Group is removed from Annex B and deleted as an Acceptable Obligor in accordance with Section 2.19(a), no additional Eligible Receivables from such Person or Affiliated Group may be included in a Borrowing Base subsequent to such notice unless the Required Lenders thereafter notify the Borrower that such Person or Affiliated Group is reinstated as an Acceptable Obligor in accordance with Section 2.19(b). In the event the Required Lenders notify the Borrower that the Allowable Amount with respect to an Acceptable Obligor is to be reduced in accordance with Section 2.19(a), no additional Eligible Receivables from such Acceptable Obligor may be included in a Borrowing Base subsequent to such notice if such inclusion would result in the aggregate amount of Eligible Receivables from such Acceptable Obligor being in excess of the Allowable Amount for such Acceptable Obligor after giving effect to such reduction unless the Required Lenders thereafter notify the Borrower that the Allowable Amount for such Acceptable Obligor is increased in accordance with Section 2.19(b); provided, however, that the Allowable Amount for such Acceptable Obligor shall automatically be restored to its former amount upon request of the Borrower if the Administrative Agent is satisfied in good faith that the circumstances which caused the Administrative Agent or the Required Lenders, as the case may be, to reduce such Allowable Amount are no longer continuing.

3. REPRESENTATIONS AND WARRANTIES OF THE CREDIT PARTIES

In order to induce the Secured Parties to enter into this Credit Agreement and to make the Loans provided for herein, as applicable, the Credit Parties, jointly and severally, make the following representations and warranties to, and agreements with, the Secured Parties, all of which shall survive the execution and delivery of this Credit Agreement, the issuance of the Notes, the making of the Loans.

3.1 Existence and Power.

(a) Each of the Credit Parties is a corporation, limited liability company or limited partnership (w) duly incorporated or otherwise organized, (x) validly existing, (y) in jurisdictions in which it is applicable, in good standing under the laws of its jurisdiction of organization and (z) where applicable, in good standing as a foreign entity in all jurisdictions where (i) the nature of its properties or business so requires, or (ii) the failure to be so qualified or be in good standing, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect. A list of the foregoing jurisdictions as of the Closing Date is attached hereto as Schedule 3.1.

(b) Each Credit Party has the power and authority (i) to own its respective properties and carry on its respective business as now being conducted and as intended to be conducted, (ii) to execute, deliver and perform, as applicable, its obligations under the Fundamental Documents and any other documents contemplated thereby to which it is or will be

a party, (iii) in the case of the Borrower, to borrower hereunder, (iv) to grant to the Administrative Agent, for the benefit of the Secured Parties, a security interest in the Collateral as contemplated by Article 8 hereof and in the Pledged Collateral as contemplated by Article 10 hereof, and (v) in the case of the Guarantors, to guaranty the Obligations as contemplated by Article 9 hereof.

3.2 Authority and No Violation.

(a) The execution, delivery and performance of this Credit Agreement and the other Fundamental Documents to which it is a party by each Credit Party, the grant to the Administrative Agent for the benefit of the Secured Parties of the security interest in the Collateral and the Pledged Collateral as contemplated herein and by the other Fundamental Documents by each Credit Party and, in the case of the Borrower, the Borrowings hereunder and the execution, delivery and performance of the Notes and, in the case of each Guarantor, the guaranty of the Obligations as contemplated in Article 9 hereof, (i) have been duly authorized by all necessary corporate action (or similar action) on the part of each Credit Party, (ii) will not constitute a violation of any provision of Applicable Law in any material respect or any order of any Governmental Authority applicable to such Credit Party, or any of its properties or assets in any material respect, (iii) will not violate any provision of the certificate of incorporation, by-laws, operating agreement, partnership agreement or any other organizational document of such Credit Party, (iv) will not violate any provision of, be in conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under, or create any right to terminate, any License Agreement, indenture, agreement, bond, note or other similar instrument to which a Credit Party is a party or by which such Credit Party or any of its properties or assets are bound, other than where any such violation, conflict, breach or default could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and (v) will not result in the creation or imposition of any Lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of any of such Credit Parties other than pursuant to this Credit Agreement or the other Fundamental Documents.

(b) Other than the restrictions listed on Schedule 3.2(b) hereto, there are no restrictions on the transfer of any of the Pledged Securities other than as a result of this Credit Agreement, the Equity Interest Pledge Agreement, or Applicable Law, including any securities laws and the regulations promulgated thereunder.

3.3 Governmental Approval. All authorizations, approvals, registrations or filings from or with any Governmental Authority (other than UCC-1 and PPSA financing statements, Forms MG01 with Companies House in the United Kingdom, the Copyright Security Agreement and the Trademark Security Agreement which will be delivered to the Administrative Agent on or prior to the Closing Date, in form suitable for recording or filing with the appropriate filing office) required for the consummation of the execution, delivery and performance by any Credit Party of this Credit Agreement and the other Fundamental Documents to which it is a party, and the execution and delivery by the Borrower of the Notes, have been duly obtained or made or duly applied for, and are in full force and effect, except those which, if not obtained, could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and, if any further authorizations, consents, approvals, registrations or filings should hereafter become

necessary, the Credit Parties shall obtain or make all such authorizations, approvals, registrations or filings.

3.4 Binding Agreements. This Credit Agreement and the other Fundamental Documents, when executed, will constitute the legal, valid and binding obligations of each Credit Party that is a party hereto or thereto, enforceable against each Credit Party in accordance with their respective terms, subject, as to the enforcement of remedies, to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights generally and to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

3.5 Financial Statements. The consolidated balance sheet of the Borrower and its Consolidated Subsidiaries delivered pursuant to Section 4.1 or 5.1 hereof, together with the related statements of income, retained earnings and cash flows, in each case, delivered pursuant to Section 4.1 or 5.1 hereof have been prepared in accordance with Acceptable Accounting Standards (or, with respect to Section 4.1 only, ASPE) in effect as of such date, except as otherwise indicated in the notes to such financial statements, as applicable, and subject, in the case of the unaudited consolidated financial statements of the Borrower and its Consolidated Subsidiaries, to changes resulting from year-end and audit adjustments and the absence of footnotes. All of such financial statements (x) are true and correct in all material respects, (y) fairly present in all material respects the financial position or the results of operations of the Persons covered thereby at the dates or for the periods indicated, subject, in the case of unaudited statements, to changes resulting from year-end and audit adjustments and the absence of footnotes and (z) reflect all known liabilities, contingent or otherwise, that Acceptable Accounting Standards (or, with respect to Section 4.1 only, ASPE) requires, as of such dates, to be shown or reserved against.

3.6 No Material Adverse Change. There has been no material adverse change, or any occurrence, condition or circumstance which could reasonably be expected to be a material adverse change, with respect to the business, operations, performance, assets, properties or financial condition of the Credit Parties, taken as a whole, from the date of delivery of the unaudited consolidated balance sheet of the Borrower and its Consolidated Subsidiaries delivered pursuant to Section 4.1.

3.7 Ownership of Pledged Securities, Subsidiaries, etc.

(a) Attached hereto as Schedule 3.7(a) is a correct and complete list as of the Closing Date of each Credit Party showing, as to each, (i) the jurisdiction of formation, (ii) the authorized capitalization, (iii) the number of Equity Interests outstanding and (iv) the ownership of its Equity Interests.

(b) Except as set forth on Schedule 3.7(b) hereto, no Credit Party owns any voting stock, Equity Interest or other beneficial interest, either directly or indirectly, in any Person other than another Credit Party or in a Person formed under the laws of a jurisdiction located outside of the United States of America or Canada with respect to which an investment therein is permitted under the terms of Section 6.4 hereof.

3.8 Copyrights, Trademarks and Other Rights.

(a) The Items of Product listed on Schedule 3.8(a) hereto comprise all of the Items of Product in which any Credit Party has any right, title or interest (either directly, through a joint venture or partnership or otherwise). Except as set forth on Schedule 3.8(c) hereto, the copyright registration number (if and when any has been issued), the name of the relevant registrant (if applicable) and the character of the interests held by the relevant Credit Party (*e.g.*, whether owned by, optioned by, assigned to, or licensed by such person, etc.) for such Items of Product are set forth across from the description of such Item of Product on Schedule 3.8(a) hereto, the Credit Party holding such interests has duly recorded or caused to be duly recorded its interests in the USCO and/or the CIPO, if necessary, and has delivered copies of all such recordations to the Administrative Agent. Schedule 3.8(a) hereto also identifies the location of the best available Physical Materials related to each Item of Product owned by any Credit Party. To the best of each Credit Party's knowledge, (i) all such Items of Product and all component parts thereof do not and will not violate or infringe upon any copyright, right of privacy, trademark, patent, trade name, performing right or any literary, dramatic, musical, artistic, personal, private, civil, contract, property or copyright right or any other right of any Person or contain any libelous or slanderous material and (ii) from and after the delivery of a Product Declaration for any Item of Product, each Credit Party owns or is licensed sufficient rights under copyright to such Item of Product to satisfy any qualification requirements under the License Agreements relating to such Item of Product and to permit such Credit Party to perform its obligations thereunder. Except as set forth on Schedule 3.12 hereto, there is no claim, suit, action or proceeding pending or, to the best of each Credit Party's knowledge, threatened against any Credit Party or any other Person that involves a claim of infringement of any copyright with respect to any Item of Product listed on Schedule 3.8(a) hereto, and no Credit Party has any knowledge of any existing infringement by any other Person of any copyright held by any Credit Party with respect to any Item of Product listed on Schedule 3.8(a) hereto which, in each case, either individually or in the aggregate, could if determined adversely to such Credit Party reasonably be expected to have a Material Adverse Effect. Each copyright set forth on Schedule 3.8(a) hereto that is registered (or has been applied for and will be registered when issued) in the name of a Credit Party as of the Closing Date has been included on Schedule A to the Copyright Security Agreement, and where appropriate, the Ontario Security Agreement to be delivered to the Administrative Agent on or prior to the Closing Date pursuant to Section 4.1(g) hereof.

(b) Schedule 3.8(b) hereto (i) lists all the trademarks registered by any Credit Party and identifies the Credit Party which registered (or which will register) each such trademark, (ii) specifies as to each, the jurisdictions in which such trademark has been issued or registered (or, if applicable, in which an application for such issuance or registration has been or will be filed), including the respective registration or application numbers and applicable dates of registration or application, and (iii) specifies as to each, as applicable, material licenses, material sublicenses and other material agreements (other than any License Agreements) to which any Credit Party is a party and/or pursuant to which any Person is authorized to use such trademark. Each trademark set forth on Schedule 3.8(b) hereto that is registered in the name of a Credit Party has been included on Schedule A to the Trademark Security Agreement to be delivered to the Administrative Agent on or prior to the Closing Date pursuant to Section 4.1(g) hereof.

(c) Except as set forth on Schedule 3.8(c) hereto, all applications and registrations for all copyrights, trademarks, service marks, trade names and service names in which any Credit Party has any right, title or interest are valid and in full force and effect (other than trademarks, service marks, trade names and service names that in the aggregate are not material) and are not and will not be subject to the payment of any Taxes or maintenance fees or the taking of any other actions by any Credit Party to maintain their validity or effectiveness other than renewals to maintain the effectiveness thereof.

3.9 Fictitious Names. Except as disclosed on Schedule 3.9 hereto, no Credit Party has done business, is doing business or intends to do business other than under its full legal name, including, without limitation, under any trade name or other “doing business as” name.

3.10 Title to Properties. Each Credit Party has good title to each of the properties and assets reflected on the most recent financial statements referred to in Section 3.5 hereof and all such properties and assets are free and clear of Liens, except Permitted Encumbrances.

3.11 Chief Executive Office; Location of Collateral; Tax Identification Number; Entity Organizational Number. Schedule 3.11 hereto lists (i) the chief executive officer of each Credit Party, (ii) all of the places where any Credit Party keeps (or intends to keep) any records concerning the Collateral on the date hereof or regularly keeps (or intends to keep) any goods included in the Collateral on the date hereof, and (iii) the tax identification number and the entity organizational number of each Credit Party.

3.12 Litigation. Schedule 3.12 hereto sets forth a list as of the Closing Date of all actions, suits or other proceedings at law or in equity by or before any arbitrator, arbitration panel or Governmental Authority, and to the best of each Credit Party’s knowledge, any investigation by any Governmental Authority of the affairs of, or threatened action, suit or other proceeding against or affecting, any Credit Party or any of their respective properties or rights. Except as set forth in Schedule 3.12 hereto, there are no actions, suits or other proceedings at law or in equity by or before any arbitrator, arbitration panel or Governmental Authority (including, but not limited to, matters relating to environmental liability) or, to the best of each Credit Party’s knowledge, any investigation by any Governmental Authority of the affairs of, or threatened action, suit or other proceeding against or affecting, any Credit Party or of any of their respective properties or rights which either (A) if adversely determined could reasonably be expected to have a Material Adverse Effect or (B) relate to this Credit Agreement, any other Fundamental Documents or any of the transactions contemplated hereby. No Credit Party is in default with respect to any material order, writ, injunction, decree, rule or regulation of any Governmental Authority binding upon such Person.

3.13 Federal Reserve Regulations. None of the Credit Parties is engaged principally or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No part of the proceeds of the Loans will be used, directly or indirectly, whether immediately, incidentally or ultimately (i) to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock, or (ii) for any other purpose, in each case, violative of or inconsistent with any of the provisions of any regulation of the Board, including, without limitation, Regulations T, U and X thereto.

3.14 Investment Company Act. No Credit Party is, or will during the term of this Credit Agreement be, (i) an “investment company”, within the meaning of the Investment Company Act of 1940, as amended, or (ii) subject to any regulation under the Public Utility Holding Company Act of 1935, the Federal Power Act or any foreign, federal or local statute or any other Applicable Law of the United States of America or any other jurisdiction, in each case limiting its ability to incur indebtedness for money borrowed as contemplated hereby or by any other Fundamental Document.

3.15 Taxes. Each Credit Party has filed or caused to be filed all material federal, state, local and foreign tax returns which are required to be filed with any Governmental Authority after giving effect to applicable extensions, and has paid or has caused to be paid all material Taxes as shown on said returns or on any assessment received by it in writing, to the extent that such Taxes have become due, except as permitted by Section 5.12 hereof. No Credit Party knows of any material additional assessments or any basis therefor. The Credit Parties believe that the charges, accruals and reserves on its books in respect of Taxes or other governmental charges are accurate and adequate, in accordance with Acceptable Accounting Standards.

3.16 Compliance with ERISA/Canadian Plans.

(a) Each of the Credit Parties’ U.S. Plans (if any), all of which are listed on Schedule 3.16 hereto, and each of which has been maintained and operated in all material respects in accordance with all Applicable Laws, including ERISA and the Code, and each U.S. Plan (if any) intended to qualify under section 401(a) of the Code satisfies the requirements of this Section 3.16 in all material respects. No Reportable Event has occurred in the last five (5) years as to any U.S. Plan, and the present value of all benefits under all U.S. Plans subject to Title IV of ERISA (based on those assumptions used to fund such U.S. Plans) did not, in the aggregate, as of the last annual valuation date applicable thereto, exceed the actuarial value of the assets of such U.S. Plans allocable to such benefits by more than \$100,000. No material liability has been, and no circumstances exist pursuant to which any material liability is reasonably likely to be, imposed upon any Credit Party or ERISA Affiliate (i) under sections 4971 through 4980E of the Code, sections 502(i) or 502(l) of ERISA, or Title IV of ERISA with respect to any U.S. Plan or Multiemployer Plan, or with respect to any plan heretofore maintained by any Credit Party or ERISA Affiliate, or any entity that heretofore was an ERISA Affiliate, (ii) for the failure to fulfill any obligation to contribute to any Multiemployer Plan, or (iii) with respect to any U.S. Plan that provides post-retirement welfare coverage (other than as required pursuant to Section 4980B of the Code). Neither any Credit Party nor any ERISA Affiliate has received any notification that any Multiemployer Plan is in reorganization or has been terminated within the meaning of Title IV of ERISA, and no Multiemployer Plan is reasonably expected to be in reorganization or to be terminated.

(b) Except as would not reasonably be expected to result in a Material Adverse Effect, each of the Credit Parties’ Canadian Plan (if any) has been maintained in compliance with its terms and with the requirements of any and all Applicable Laws and has been maintained, where required, in good standing with applicable regulatory authorities. All contributions required to be made with respect to a Canadian Plan have been timely made, except as would not reasonably be expected to result in a Material Adverse Effect. No Credit Party has incurred any obligation in connection with the termination of, or withdrawal from, any Canadian

Plan. Except as would not reasonably be expected to result in a Material Adverse Effect, the present value of the accrued benefit liabilities (whether or not vested) under each Canadian Plan, determined as of the end of the Credit Party's most recently ended fiscal year on the basis of actuarial assumptions, each of which is reasonable, did not materially exceed the current value of the assets of such Canadian Plan allocable to such benefit liabilities.

3.17 Agreements.

(a) No Credit Party is in default in the performance, observance or fulfillment of any of the material obligations, covenants or conditions contained in any material agreement or instrument (including, without limitation, any material License Agreement) to which it is a party, except, in each instance where such default has not resulted in a Material Adverse Effect.

(b) Schedule 3.17 hereto is a true and complete listing as of the date hereof of (i) all credit agreements, indentures, notes and other agreements related to any indebtedness for borrowed money of any Credit Party, other than the Fundamental Documents, (ii) all material License Agreements to which any Credit Party or Licensing Intermediary is a party, (iii) all joint ventures to which any Credit Party is a party, (iv) all agreements or other arrangements pursuant to which any Credit Party has granted a Lien to any Person, other than the Fundamental Documents and (v) all other contractual arrangements (other than the Fundamental Documents) entered into by any Credit Party or by which any Credit Party is bound which arrangements are material to any Credit Party, including but not limited to, Guaranties, shareholder agreements, tax sharing agreements, and material employment agreements. The Credit Parties have delivered or made available to the Administrative Agent a true and complete copy of each agreement (or, if not yet executed, the most recent draft) described on Schedule 3.17 hereto, including all exhibits and schedules. For purposes of this Section 3.17, a License Agreement or other contract, agreement or arrangement shall be deemed "material" if any Credit Party reasonably expects that any Credit Party would, pursuant to the terms thereof, (A) recognize future revenues in excess of US\$500,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof), (B) incur liabilities or obligations (other than those relating to amounts which would be included in the negative cost of an Item of Product) in excess of US\$500,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof), or (C) likely suffer damages or losses in excess of US\$500,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) by reason of the breach or early termination thereof (or, in each case, the amount in Canadian Dollars that is the U.S. Dollar Equivalent).

3.18 Security Interest. This Credit Agreement and the other Fundamental Documents, when executed and delivered and, upon the making of the initial Loan hereunder, will create and grant to the Administrative Agent (for the benefit of the Secured Parties) upon (a) the filing of the appropriate UCC-1 and PPSA financing statements with the filing offices listed on Schedule 3.18 hereto, (b) the filing of the appropriate Forms MG01 with Companies House in connection with U.K. Credit Party (c) the filing of the Copyright Security Agreement with the U.S. Copyright Office and the CIPO, (d) the filing of the Trademark Security Agreement with the CIPO, (e) the filing of the Canadian Security Documents with the Canadian Intellectual Property Office, (f) the delivery of any certificated Pledged Securities with appropriate stock powers (or any comparable document for non-corporate entities to the extent certificated) duly executed in blank to the Administrative Agent and the Administrative Agent has taken possession or control

of such Pledged Securities, (g) the execution and delivery of any applicable Account Control Agreements and (h) the payment of all applicable filing fees for the documents referenced in the preceding clauses (a) through (f), a valid and first priority perfected security interest in the Pledged Securities and a valid and first priority perfected security interest in the Collateral (subject, in each case, only to Specified Permitted Encumbrances).

3.19 Environmental Liabilities.

(a) Except as set forth in Schedule 3.19 hereto, no Credit Party has used, stored, treated, transported, manufactured, refined, handled, produced, released or disposed of any Hazardous Materials on, under, at, from or in any way affecting, any of the properties or assets owned, operated, occupied or leased by a Credit Party, in material violation of any Environmental Law or in a manner that could result in a liability to any Credit Party.

(b) To the best of each Credit Party's knowledge (i) no Credit Party has any obligations or liabilities, known or unknown, matured or not matured, absolute or contingent, assessed or unassessed, which could reasonably be expected to have a Material Adverse Effect, and (ii) no claims have been made against any of the Credit Parties in the past five (5) years and no pending, threatened or outstanding citations, orders, proceedings or notices have been issued against any of the Credit Parties arising under or related to Environmental Laws or Hazardous Materials, which could reasonably be expected to have a Material Adverse Effect, in each case of (i) and (ii), including, without limitation, any such obligations or liabilities relating to or arising out of or attributable, in whole or in part, to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation or handling of any Hazardous Materials by any Credit Party, or any of its respective employees, agents, representatives, affiliates or predecessors in interest in connection with or in any way arising from or relating to any of the Credit Parties or any of their respective owned or leased properties, or relating to or arising from or attributable, in whole or in part, to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation or handling of any such substance, by any other Person at or on or under any of the real properties owned or used by any of the Credit Parties or any other location where such could have a Material Adverse Effect.

3.20 Pledged Securities.

(a) All of the Pledged Securities are duly authorized, validly issued, fully paid and non-assessable, and are owned and held by the Pledgors (as applicable), free and clear of any Liens, other than those created pursuant to this Credit Agreement and other Permitted Encumbrances, and there are no restrictions on the transfer of the Pledged Securities other than as a result of this Credit Agreement, the Equity Interest Pledge Agreement, or applicable securities laws and the regulations promulgated thereunder. The Pledged Securities are owned by the Persons specified on Schedules 3.7(a) and (b) hereto.

(b) Except as set forth on Schedules 3.7(a) and (b) hereto, there are no outstanding rights, warrants, options, conversion or similar rights currently outstanding with respect to, and no agreements to purchase or otherwise acquire, any shares of the capital stock or other Equity Interests of any issuer of any of the Pledged Securities; and there are no securities

or obligations of any kind convertible into any shares of the capital stock or other Equity Interests of any issuer of any of the Pledged Securities.

(c) Article 10 of this Credit Agreement together with the Equity Interest Pledge Agreement creates in favor of the Administrative Agent (on behalf of the Secured Parties) a valid, binding and enforceable security interest in, and Lien upon, all right, title and interest of the Pledgors in the Pledged Collateral and constitutes a fully perfected first and prior security interest and Lien upon all right, title and interest of the Pledgors in such Pledged Collateral, provided, that the definitive instruments representing all certificated Pledged Securities (if any) shall have been delivered to the Administrative Agent (and the Administrative Agent has taken possession or control of such certificated Pledged Securities), accompanied by undated stock powers (or any comparable documents for non-corporate entities to the extent certificated), duly endorsed or executed in blank by the appropriate Pledgor as required under Section 10.1 hereof and by the Equity Interest Pledge Agreement.

3.21 Accounts. Schedule 3.21 is a true and complete list of (including the applicable bank contact details, and indicating the type of account, for) each deposit account or securities account maintained at any financial institution in the name of a Credit Party as of the Closing Date.

3.22 Compliance with Laws. No Credit Party is in violation of any Applicable Law. The Borrowings hereunder, the intended use of the proceeds of the Loans as contemplated by Section 6.17 hereof and any other transactions contemplated hereby will not violate any Applicable Law.

3.23 Subsidiaries. No Credit Party has a direct or indirect Subsidiary other than as listed on Schedule 3.7(b) hereto.

3.24 Solvency. No Credit Party has entered or is entering into the arrangements contemplated hereby or by the other Fundamental Documents, or intends to make any transfer or incur any obligations hereunder or thereunder, with actual intent to hinder, delay or defraud either present or future creditors. On and as of the Closing Date, on a pro forma basis after giving effect to all Indebtedness (including any Loans to be borrowed on such date) (a) each Credit Party expects the cash available to such Credit Party, after taking into account all other anticipated uses of the cash of such Credit Party (including the payments on or in respect of debt referred to in clause (c) below), will be sufficient to satisfy all final judgments for money damages which have been docketed against such Credit Party or which may be rendered against such Credit Party in any action in which such Credit Party is a defendant (taking into account the reasonably anticipated maximum amount of any such judgment and the earliest time at which such judgment might be entered); (b) the sum of the present fair saleable value of the assets of each Credit Party will exceed the probable liability of such Credit Party on its as such debts become absolute and matured; (c) no Credit Party will have incurred or intends to, or believes that it will, incur debts beyond its ability to pay such debts as such debts mature (taking into account the timing and amounts of cash to be received by such Credit Party from any source, and of amounts to be payable on or in respect of debts of such Credit Party and the amounts referred to in clause (b) above); and (d) each Credit Party believes it will have sufficient capital with which to conduct its present and proposed business and the property of such Credit Party does

not constitute unreasonably small capital with which to conduct its present or proposed business. For purposes of this Section 3.24, “debt” means any liability or a claim, and “claim” means any (i) right to payment whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, or (ii) right to an equitable remedy for breach of performance if such breach gives rise to a payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured.

3.25 True and Complete Disclosure. Neither this Credit Agreement nor any other Fundamental Document nor any material agreement, document, instrument, certificate or statement (other than (i) the Business Plan delivered in accordance with Section 5.1 hereof and any projections, estimates, or other forward-looking information and (ii) any forward-looking pro forma financial information) furnished to the Administrative Agent and the Lenders by or on behalf of any Credit Party in connection with the transactions contemplated hereby, at the time it was furnished contained any untrue statement of a material fact or omitted to state a material fact, under the circumstances under which it was made, necessary in order to make the statements contained herein or therein not misleading (considered in the context of all other information provided to the Lenders). Each Business Plan and any projections, estimates, forward-looking information or any forward-looking pro forma financial information shall be prepared in good faith by the Borrower based on certain projections and assumptions believed by management of the Borrower to be reasonable at the time made, but it is understood by the Administrative Agent and the Lenders that, without limiting the foregoing representation, (i) any such Business Plan or other information as it relates to future events is not to be viewed as fact, (ii) no assurance is given that the results forecasted in any such Business Plan or other information will be achieved, and (iii) actual results during the period or periods covered by any such Business Plan or other information are subject to significant uncertainties and contingencies and may differ from the projected results set forth therein by a material amount. On the Closing Date, there is no fact known to any Credit Party (other than general industry conditions) which materially and adversely affects, or in the future may reasonably be expected to materially and adversely affect the business, properties, assets, operations or financial condition of the Credit Parties, taken as a whole.

3.26 OFAC. None of the Credit Parties (i) is a person whose property or interest in property is blocked or subject to blocking pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)), (ii) engages in any dealings or transactions prohibited by Section 2 of such executive order, or is otherwise associated with any such person in any manner violative of Section 2, or (iii) is a person on the list of Specially Designated Nationals and Blocked Persons or subject to the limitations or prohibitions under any other U.S. Department of Treasury’s Office of Foreign Assets Control regulation or executive order.

3.27 USA Patriot Act. Each Credit Party is in compliance, in all material respects, with (i) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (ii) the

Uniting and Strengthening America By Providing Appropriate Tools Required To Intercept And Obstruct Terrorism (USA Patriot Act of 2001). No part of the proceeds of the Loans will be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

4. CONDITIONS OF LENDING

4.1 Conditions Precedent to Initial Loan. The obligation of each Lender to make its initial Loan on or after the Closing Date is subject to the satisfaction in full (or waiver by each of the initial Lenders) of the following conditions precedent:

(a) Organizational Documents. The Administrative Agent shall have received:

(i) a copy of the certificate of formation, articles or certificate of incorporation or certificate of limited partnership (or equivalent document) of each Credit Party, certified on a recent date by the Secretary of State or other relevant office (or other appropriate governmental official if such party is organized outside the United States) of such Person's jurisdiction of formation, incorporation or organization, as the case may be, which certificate lists (if such type of list is generally available in the applicable jurisdiction) the charter documents on file in the office of such Secretary of State (or other appropriate governmental official if such party is organized outside the United States);

(ii) from each jurisdiction in which it is available, a certificate of the Secretary of State (or other appropriate governmental official if such party is organized outside the United States) of such jurisdiction of organization, dated as of a recent date, as to the good standing of, and, if generally available in the applicable jurisdiction, the payment of taxes by, each Credit Party;

(iii) from each jurisdiction in which it is available, a certificate dated as of a recent date as to the good standing and/or authority to do business of each Credit Party issued by the Secretary of State or other relevant office or appropriate governmental official of each jurisdiction, if any, in which such Credit Party is qualified as a foreign organization as listed on Schedule 3.1 hereto;

(iv) a certificate of the Secretary, Assistant Secretary or other appropriate officer (or member or manager, as the case may be, in the case of limited liability companies) acceptable to the Administrative Agent, of each Credit Party, dated the date hereof and certifying (A) that attached thereto is a true and complete copy of the certificate of formation, articles or certificate of incorporation or certificate of limited partnership (or equivalent document) of such Credit Party (as applicable) as in effect as of the date of such certification, (B) that attached thereto is a true and complete copy of the by-laws, limited partnership agreement, operating agreement or equivalent document of such Person as in effect on the date of such certification; (C) that attached thereto is a true and complete copy of the resolutions adopted by the Board of Directors (or equivalent body) of such Person authorizing

the execution, delivery and performance in accordance with their respective terms of the Fundamental Documents executed by such Credit Party, as applicable, and any other documents required or contemplated hereunder or thereunder, the grant of the security interests in the Collateral, including the Pledged Collateral, and in the case of the Borrower, the Borrowings hereunder, and that such resolutions have not been amended, rescinded or supplemented and are currently in effect; (D) that the certificate of formation, articles or certificate of incorporation or certificate of limited partnership (or equivalent document) of such Person has not been amended since the date of the last amendment thereto indicated on the certificates of the Secretary of State or other appropriate office or official furnished pursuant to clause (i) above; and (E) as to the incumbency and specimen signature of each officer (or member or manager, as the case may be) of such party executing any Fundamental Document or such other documents required or contemplated hereunder or thereunder (such certificate to contain a certification by another officer (or member or manager, as the case may be) of such Person as to the incumbency and signature of the officer (or member or manager, as the case may be) signing the certificate referred to in this clause (iv) or a certification by the signing officer (or member or manager, as the case may be) that he or she is the sole officer (or member or manager, as the case may be) of such Person); and

(v) such additional supporting documents as the Administrative Agent or its counsel may reasonably request.

(b) Credit Agreement; Notes. The Administrative Agent shall have received (i) executed counterparts of this Credit Agreement, which, when taken together, bear the signatures of the Administrative Agent, all of the Credit Parties and each of the Lenders and (ii) a Note executed by the Borrower in favor of each Lender, to the extent requested pursuant to Section 2.5(a) hereof.

(c) Opinion of Counsel. The Administrative Agent shall have received the written opinion of (i) Reed Smith LLP, counsel to the Credit Parties (other than those organized under the laws of the United Kingdom or Canada or a Canadian province), and (ii) Heenan Blaikie LLP, counsel to the Canadian Credit parties, each dated the Closing Date and addressed to the Secured Parties, each in form and substance reasonably satisfactory to the Administrative Agent and to Akin Gump Strauss Hauer & Feld LLP, counsel to the Administrative Agent.

(d) Financial Statements. The Administrative Agent shall have received true and complete copies of all of (i) the unaudited consolidated balance sheet of the Borrower and its Consolidated Subsidiaries at the fiscal year ended 2012, together with the related statements of income, retained earnings and cash flows prepared in accordance with ASPE, (ii) an unaudited compiled consolidated (x) pro forma balance sheet, (y) income statement, and (z) cash flow statement of the Borrower and its Consolidated Subsidiaries dated as of May 31, 2013, prepared in accordance with Acceptable Accounting Standards by an accountant reasonably acceptable to the Administrative Agent, (iii) the business plans referred to in Section 4.1(t) hereof and (iv) such other projections, financial statements or information as the Administrative Agent may reasonably request.

(e) No Material Adverse Change. Since May 31, 2013, no event or events shall have occurred to the extent that they, individually or in the aggregate, could reasonably be anticipated to cause a Material Adverse Effect.

(f) Insurance. The Credit Parties shall have furnished the Administrative Agent with (i) a summary of all existing insurance coverage, (ii) evidence acceptable to the Administrative Agent that the insurance policies required by Section 5.5 hereof have been obtained and are in full force and effect, and (iii) certificates of insurance with respect to all existing insurance coverage which certificates shall name the Administrative Agent, as the certificate holder and loss payee for all first party insurance and shall evidence the Credit Parties' compliance with Section 5.5 hereof with respect to all insurance coverage existing as of the Closing Date.

(g) Security and Other Documentation. The Administrative Agent shall have received fully executed copies of:

- (i) the Equity Interest Pledge Agreement executed by all parties thereto;
- (ii) the UK Debenture executed by all parties thereto;
- (iii) the UK Share Charge executed by all parties thereto;
- (iv) the Canadian Security Documents executed by all parties thereto;
- (v) a Copyright Security Agreement, listing each Item of Product in which any Credit Party has an interest (whether copyrightable or otherwise) and each other interest in U.S. or Canadian copyrights or other rights held by a Credit Party (as listed on Schedule 3.8(a) hereto), duly executed by each such Credit Party;
- (vi) a Trademark Security Agreement for each trademark in which any Credit Party has any interest (as listed on Schedule 3.8(b) hereto), duly executed by each such Credit Party;
- (vii) Account Control Agreements for each deposit account of a Credit Party existing at a bank as of the Closing Date other than those described in Section 5.26 hereof, and a comparable account control agreement in respect of each securities account of a Credit Party existing at a bank or other securities intermediary as of the Closing Date, in each case duly executed by such Credit Party and such bank or other securities intermediary;
- (viii) the Pledged Securities with appropriate undated stock powers duly executed in blank (or any comparable document for non-corporate entities) to the extent certificated;
- (ix) Laboratory Access Letters and Pledgeholder Agreements, as applicable, for each Item of Product (whether Completed or Uncompleted) to the extent any Credit Party has control over, or rights to receive, any Physical Materials relating to such Item of Product; and

(x) appropriate UCC-1, PPSA financing statements and Forms MG01 relating to the Collateral.

(h) Security Interests in Copyrights and other Collateral. The Administrative Agent shall have received evidence reasonably satisfactory to it that each Credit Party has sufficient right, title and interest in and to the Collateral and other assets which it purports to own (including appropriate licenses under copyright), as set forth in the documents and other materials presented to the Lenders, to enable such Credit Party to perform the License Agreements to which such Credit Party is a party and as to each Credit Party, to grant to the Administrative Agent (for the benefit of the Secured Parties) the security interests contemplated by this Credit Agreement and the other Fundamental Documents, and that all financing statements, Account Control Agreements, copyright filings, including the Copyright Security Agreement, trademark filings, including the Trademark Security Agreement, and other filings under Applicable Law necessary to provide the Administrative Agent (for the benefit of the Secured Parties) with a first priority perfected security interest in the Pledged Securities and Collateral (subject in the case of the Collateral, to Specified Permitted Encumbrances) have been filed or delivered to the Administrative Agent in satisfactory form for filing.

(i) Payment of Fees. All fees and expenses then due and payable by any Credit Party to the Administrative Agent and/or the Lenders in connection with the transactions contemplated hereby, including reasonable fees of any outside counsel for the Administrative Agent, shall have been paid or shall be paid contemporaneously with the effectiveness of this Credit Agreement.

(j) Existing Indebtedness. Simultaneously with the making of the initial Loan, the Administrative Agent shall be satisfied that all existing Indebtedness of the Credit Parties, other than Indebtedness permitted under Section 6.1, shall have been paid in full, the commitments of the lenders thereunder shall have been terminated and all security interests, Liens and other encumbrances granted thereunder shall have been released

(k) Litigation. No litigation, inquiry, injunction or restraining order shall be pending, entered or (to the knowledge of a Credit Party) threatened which could, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(l) Liquidity Certificate. The Administrative Agent shall have received a Liquidity Certificate duly executed by an Authorized Officer of the Borrower.

(m) Searches. The Administrative Agent shall have received UCC, PPSA, Companies House, copyright office and other searches satisfactory to it indicating that no other filings, encumbrances or transfers (other than in connection with Permitted Encumbrances) with regard to the Collateral are of record in any jurisdiction in which it shall be necessary or desirable for the Administrative Agent to make a filing in order to provide the Administrative Agent (for the benefit of the Secured Parties) with a perfected security interest in the Collateral.

(n) Certain Employee Benefit Plans. The Administrative Agent shall have received copies of all U.S. Plans and Canadian Plans of each Credit Party that are in existence on the Closing Date, and descriptions of those that are committed to on the Closing Date.

(o) Material Agreements. The Administrative Agent shall have received a copy (or have been granted access to) of each agreement listed on Schedule 3.17 hereto, and each agreement has been certified by the Borrower.

(p) Required Consents and Approvals. The Administrative Agent shall be satisfied that (i) all required consents and approvals have been obtained with respect to the transactions contemplated hereby from all Governmental Authorities with jurisdiction over the business and activities of any Credit Party and from any other entity whose consent or approval the Administrative Agent in its reasonable discretion deems necessary to the transactions contemplated hereby and (ii) all such consents and approvals remain in full force and effect.

(q) Federal Reserve Regulations. The Administrative Agent shall be satisfied that the provisions of Regulations T, U and X of the Board will not be violated by the transactions contemplated hereby.

(r) Compliance with Laws. The Administrative Agent shall be satisfied that the transactions contemplated hereby and by the other Fundamental Documents will not (i) violate any provision of Applicable Law, or any order of any court or other agency of the United States of America, Canada or any state, province or territory thereof applicable to any of the Credit Parties or any of their respective properties or assets or (ii) conflict with, or result in a default, breach or right of termination or acceleration under, any material agreement to which any Credit Party is a party.

(s) Approval of Counsel to the Administrative Agent. All legal matters incident to this Credit Agreement and the other transactions contemplated hereby shall be reasonably satisfactory to Akin Gump Strauss Hauer & Feld LLP, counsel to the Administrative Agent.

(t) Due Diligence. The Administrative Agent shall have completed and be satisfied with a due diligence investigation relating to the Credit Parties' management, partnership structure, business agreements, business plan, contingent liabilities, and any other matters deemed appropriate and requested by the Administrative Agent.

(u) Notices of Assignment. The Administrative Agent shall have received evidence satisfactory to it that Notices of Assignment have been executed by the applicable Credit Party and delivered to all account obligors of the Credit Parties or their intermediaries or agents.

(v) Contribution Agreement. The Administrative Agent shall have received a fully executed copy of the Contribution Agreement.

(w) Gorfolova Subordination Agreement. The Administrative Agent shall have received a copy of the Gorfolova Subordination Agreement duly executed by Ms. Andrea Gorfolova.

(x) Cooking Channel Agreement. The Administrative Agent shall have received a copy of the Cooking Channel Agreement duly executed by Cooking Channel and the Tricon Cooking Channel Entities.

(y) USA Patriot Act. The Administrative Agent shall have received any information required and requested by any Secured Party under applicable “know your customer” and anti-money laundering rules and regulations, including without limitation the USA Patriot Act, the Foreign Corrupt Practices Act and any other OFAC-administered laws, regulations, Executive Orders and economic and trade sanction programs, in each case no later than three (3) business days prior to the execution of the Credit Agreement.

(z) Accounts. The Borrower shall have established the Collection Accounts and the Cash Collateral Accounts.

(aa) Other Documents. The Administrative Agent shall have received such other documentation as the Administrative Agent may reasonably request.

4.2 Conditions to the Initial Loan for Each Item of Product. It shall be a condition precedent to the Borrower obtaining any Borrowing Base credit with respect to any Item of Product (including, in the case of an episodic television series, that the following provisions be satisfied with respect to each season, regardless of whether credit was extended on the basis of prior seasons) that the following conditions, to the extent applicable, are satisfied with respect to such Item of Product:

(a) Conditions Relating to any Borrowing Base for an Item of Product. The following constitute conditions precedent to the Borrower receiving any Borrowing Base credit for such Item of Product:

(i) Item of Product Documents. The Administrative Agent shall have received and be satisfied with, prior to extending such Borrowing Base credit: (A) a list of all agreements executed in connection with an Item of Product that provide for deferments or participations, along with copies of such agreements as the Administrative Agent may reasonably request, (B) certificates or binders of insurance for such Item of Product as required by Section 5.5 hereof together with an endorsement naming the Administrative Agent as an “additional insured” or “loss payee”, as applicable, (C) a Copyright Security Agreement Supplement for such Item of Product, (D) Pledgeholder Agreements or Laboratory Access Letters for such Item of Product, (E) a Trademark Security Agreement (or supplement thereto reasonably satisfactory to the Administrative Agent) and (F) any necessary security documents, filings or intercreditor agreements and, if applicable, a Co-Financing Intercreditor Agreement, necessary or desirable to provide to the Administrative Agent a first priority lien (subject only to Specified Permitted Encumbrances) in such Item of Product;

(ii) Chain of Title. The Administrative Agent shall have received at least ten (10) Business Days prior to extending such Borrowing Base credit copies of all agreements, instruments of transfer or other instruments (in recordable form or with proof of submission for recordation by the USCO or CIPO) (including, without limitation, the rights agreements) necessary to establish, to the reasonable satisfaction of the Administrative Agent, (A) the applicable Credit Party’s ownership of sufficient rights in such Item of Product to enable such Credit Party to produce and/or distribute such Item of Product and to grant to the Administrative Agent for the benefit of the Secured Parties the security interests therein which are contemplated by this Credit Agreement, (B) the interest of such Credit Party in each Item of

Product identified by the Administrative Agent in its reasonable discretion and (C) that any existing liens (other than Specified Permitted Encumbrances) on such Item of Product have been released or subordinated and any reversion rights in connection with such Item of Product have been released;

(iii) *Updates of Schedules.* The Administrative Agent shall have, if requested, received updated versions of Schedules 3.8(a), 3.8(b) and 3.17 hereto reflecting the information relating to such Item of Product pertinent to such Schedules;

(iv) *Liquidity.* To the extent such Item of Product is Uncompleted, either all of the cash needs for the production of such Item of Product shall have been included in the most recent Liquidity Certificate delivered to the Administrative Agent or an updated Liquidity Certificate shall have been delivered to the Administrative Agent;

(v) *Product Declaration.* The Borrower shall have executed and delivered to the Administrative Agent a Product Declaration for such Item of Product no more than five (5) Business Days prior to such initial receipt of Borrowing Base credit; and

(vi) *Production Cost Reserve.* To the extent an Item of Product is Uncompleted, a Production Cost Reserve has been established for such Item of Product.

(b) Additional Conditions Relating to an Item of Product's Eligible Receivables. The following shall constitute conditions precedent (in addition to those in Section 4.2(a) hereof) to the Borrower receiving any Borrowing Base credit on the basis of any contracted receivables for such Item of Product:

(i) *Notices of Assignment.* The Administrative Agent shall have received satisfactory counter-signed Notices of Assignment with respect to any account debtors of a Credit Party indicating such Credit Party's assignment for security to the Administrative Agent (for the benefit of the Secured Parties) of any receivables relating to such Item of Product; and

(ii) *Title to Assets.* Any such receivables constitute assets of a Credit Party that are either payable (A) by the licensee directly to a Collection Account or (B) first to a Licensing Intermediary which has (x) committed to remit such receivables (net of its fees) to a Collection Account and (y) granted to the Administrative Agent a first priority accommodation security interest in such receivables and has entered into arrangements satisfactory to the Administrative Agent ensuring that such net receivables will not be co-mingled with the assets of the Licensing Intermediary

4.3 Conditions Precedent to Each Loan. The obligations of the Lenders to make each of the Loans (including the initial Loan) are subject to the following conditions precedent:

(a) Notice. The Administrative Agent shall have received a notice with respect to such Borrowing as required by Article 2 hereof.

(b) Borrowing Certificate. In the case of Loans, the Administrative Agent shall have received a Borrowing Certificate with respect to such Borrowing, duly executed by an Authorized Officer of the Borrower.

(c) Representations and Warranties. The representations and warranties set forth in Article 3 hereof, Section 11.3 hereof, and in the other Fundamental Documents shall be true and correct in all material respects on and as of the date of each Borrowing (except to the extent that such representations and warranties expressly relate (i) to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date) with the same effect as if made on and as of such date.

(d) No Default or Event of Default. On the date of each Borrowing, no Default or Event of Default shall have occurred and be continuing, nor shall any such event occur by reason of the making of such Loan.

(e) Compliance With Borrowing Base Provisions. All applicable provisions of Section 4.2 hereof with respect to any Borrowing Base credit for any applicable Item of Product have been satisfied and remain in effect.

(f) No Material Adverse Change. No event or events shall have occurred (since the date of the annual audited financial statements which were most recently delivered pursuant to Section 5.1 hereof) which have had a Material Adverse Effect.

Each request for a Borrowing shall be deemed to be a representation and warranty by the Borrower on the date of such Borrowing as to the matters specified in Subsections (c), (d), (e) and (f) of this Section 4.3.

5. AFFIRMATIVE COVENANTS

From the date hereof and for so long as the Commitments shall be in effect, any amount shall remain outstanding under any Loan or Note, shall remain outstanding or any other Obligation shall remain unpaid or unsatisfied, each of the Credit Parties agrees that, unless the Required Lenders shall otherwise consent in writing, it will, and will cause each other Credit Party to:

5.1 Financial Statements, Reports and Audits. Furnish or cause to be furnished to the Administrative Agent:

(a) Within one hundred twenty (120) days after the end of each fiscal year of the Borrower commencing with the fiscal year ending May 31, 2013 (other than fiscal year 2013 which shall be delivered at the time set forth in Section 5.23(c) below), the audited consolidated balance sheet of the Borrower and its Consolidated Subsidiaries as at the end of, and the related consolidated statements of income, retained earnings and cash flows for, such fiscal year and the corresponding figures as at the end of, and for, the preceding fiscal year (on an unaudited basis as to fiscal year 2012), accompanied by an unqualified report and opinion of an independent public accountant reasonably acceptable to the Administrative Agent as shall be retained by the Borrower, which report and opinion shall be prepared in accordance with Acceptable Accounting Standards relating to reporting and which report and opinion shall not be subject to any “going

concern” or like explanation, qualification or exception or any explanation, qualification or exception as to the scope of such audit and shall contain no material exceptions or qualifications except for qualifications relating to accounting changes (with which such independent public accountants concur) in response to FASB or IASB releases, as applicable, or other authoritative pronouncements, together with a certificate signed by an Authorized Officer of the Borrower, to the effect that such financial statements fairly present in all material respects the consolidated financial position of the Borrower and its Consolidated Subsidiaries as at the dates indicated and the results of their operations for the periods indicated in conformity with Acceptable Accounting Standards, with the accompanying unqualified audit report and opinion covering all financial statements presented.

(b) Within sixty (60) days after the end of each of the first three (3) fiscal quarters of each of fiscal year of the Borrower, commencing with the fiscal quarter ending August 31, 2013, the unaudited consolidated balance sheet of the Borrower and its Consolidated Subsidiaries and the related unaudited consolidated statements of income, retained earnings and cash flows for, such fiscal quarter, and for the portion of the fiscal year through the end of such fiscal quarter and the corresponding figures (other than as to fiscal year 2014), all as at the end of such quarter, and for the corresponding period, in the preceding fiscal year, together with a Narrative Report with respect thereto and a certificate signed by an Authorized Officer of the Borrower, to the effect that such financial statements, while not examined by independent public accountants, reflect, in the opinion of the Borrower, all adjustments necessary to present fairly in all material respects the financial position of the Credit Parties as at the end of the fiscal quarter and the results of operations for the fiscal quarter then ended in conformity with Acceptable Accounting Standards, subject to normal year-end audit adjustments and the absence of footnotes;

(c) On or prior to the twentieth day of each month (and within ten (10) days from any other request from the Administrative Agent), a Borrowing Base Certificate in substantially the form of Exhibit M hereto (a “Borrowing Base Certificate”) signed by an Authorized Officer of the Borrower and setting forth the amount of each component included in the Borrowing Base as of a date no earlier than the last Business Day of the preceding month, attached to which shall be detailed information as required by such certificate including, without limitation, supporting schedules showing the calculation of each component of the Borrowing Base (the Borrower, at its option, may furnish additional Borrowing Base Certificates setting forth such information as of such later dates as it may deem appropriate), showing the current Borrowing Base, including a breakdown of all components and sub-components thereof for each Item of Product with respect to which Borrowing Base credit has been taken hereunder;

(d) Simultaneously with delivery of financial statements required under (i) Section 5.1(a) above, a copy of the annual Business Plan for the Borrower and its Consolidated Subsidiaries, which shall include projections for the ensuing three (3) years, the first year of such projections being on a quarterly basis and (ii) Section 5.1(a) and (b) above, a brief report by management of the Borrower outlining the financial condition and results of operations of the Borrower and its Consolidated Subsidiaries, in form acceptable to the Administrative Agent in its sole discretion;

(e) Simultaneously with the delivery of the statements referred to in Sections 5.1(a) and (b) above, a certificate of an Authorized Officer of the Borrower, in form and substance reasonably satisfactory to the Administrative Agent (i) stating whether or not such Authorized Officer has knowledge, after due inquiry, of any condition or event which would constitute an Event of Default or Default and, if so, specifying each such condition or event, the nature thereof and any action taken or proposed to be taken with respect thereto, (ii) demonstrating in reasonable detail compliance with the provisions of Sections 6.4, 6.10, and 6.22 to 6.27 hereof, (iii) certifying that all filings required under Section 5.7 hereof have been made and listing each such filing that has been made since the date of the last certificate delivered in accordance with this Section 5.1(e), and also listing any recordation or registration number received by any Credit Party with respect to such filings or any prior filings which have not previously been provided pursuant to a certificate delivered under this Section 5.1(e), (iv) stating whether any change in Acceptable Accounting Standards or in the application thereof has occurred since the date of the most recent audited financial statements delivered to the Administrative Agent hereunder (but until the delivery of any audited financial statements hereunder, since the date of the unaudited financial statements referred to in Section 3.5 hereof) and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate, (v) identifying all Subsidiaries existing on the date of such certificate and indicating, for each such Subsidiary, whether such Subsidiary was formed or acquired since the end of the previous fiscal quarter, (vi) identifying any changes of the type described in Section 6.9 hereof that have not been previously reported by a Credit Party, (vii) identifying any events which give rise to an obligation by the Borrower hereunder to prepay all or any portion of the Loans that have occurred since the end of the previous fiscal quarter and setting forth a reasonably detailed calculation of the amount of such prepayment obligation or cash collateralization and (viii) attaching copies of any material debt instruments or other evidence of material Indebtedness incurred by any Credit Party since the date of the most recent certificate delivered under this Section 5.1(e) (with “materiality” for these purposes determined in accordance with Section 3.17(b) hereof);

(f) Within twenty (20) days after the end of each fiscal quarter of the Borrower, a Liquidity Certificate signed by an Authorized Officer of the Borrower and demonstrating a Liquidity Ratio of at least 1.1:1.0.

(g) Within ten (10) Business Days after receipt thereof by a Credit Party, copies of all management letters issued to such Person by its auditors;

(h) Promptly upon their becoming available, copies of (i) all registration statements, proxy statements, notices and reports which any Credit Party shall file with any securities exchange, the United States Securities and Exchange Commission or any similar or successor exchange, agency, commission or market in the United States, or Canada and (ii) all reports, financial statements, press releases and other information which any Credit Party shall release, send or make available to the holders of its equity interests generally;

(i) Simultaneously with the delivery of the financial statements required under Sections 5.1(a) and (b) above, updated copies of Schedules 3.1, 3.7(a), 3.7(b), 3.8(a), 3.8(b), 3.11, 3.18 and 10.1 hereto which are to be true and accurate as of the date of delivery

thereof (as opposed to the end of the fiscal quarter or year with respect to which the financial statements are being delivered);

(j) Within one hundred twenty (120) days of the request of the Administrative Agent, a Library Valuation Report. Provided that no Default or Event of Default has occurred and is continuing, the Administrative Agent may only make such request once during the term of this Agreement (for the avoidance of doubt, this is in addition to the Library Valuation Report delivered pursuant to Section 5.23(a) below).

(k) Promptly upon written request therefor, any information required by the Administrative Agent or any Lender under or in connection with the USA Patriot Act;

(l) The information described in Section 5.23 hereof by the dates set forth therein; and

(m) From time to time such additional information regarding the financial condition or business of any Credit Party, the Library, any Item of Product, any License Agreement, any other agreement or the Collateral and the Pledged Collateral, as the Administrative Agent or any Lender acting through the Administrative Agent may reasonably request in writing.

5.2 Corporate Existence; Compliance with Laws. Do or cause to be done all things necessary (i) to preserve, renew and keep in full force and effect its legal existence and its material rights, licenses, permits and franchises and (ii) to comply with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, any Governmental Authority, except (a) in the case of clause (i) only, as otherwise permitted under Section 6.6 hereof or (b) in the case of clause (ii) only, where the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

5.3 Maintenance of Properties. Keep its tangible properties which are material to its business in good repair, working order and condition (ordinary wear and tear excepted) and (a) from time to time make (or cause to be made) all necessary and proper repairs, renewals, replacements, additions and improvements thereto and (b) comply at all times with the provisions of all material leases and other material agreements to which it is a party so as to prevent any loss or forfeiture thereof or thereunder unless compliance therewith is being currently contested in good faith by appropriate proceedings and appropriate reserves have been established in accordance with Acceptable Accounting Standards; provided, however, that nothing in this Section 5.3 shall prevent any Credit Party from discontinuing the use, operation or maintenance of such properties or disposing of obsolete materials in the ordinary course of business or other assets with the prior written consent of the Administrative Agent (which consent shall not be unreasonably withheld) if (in either case) (x) such discontinuance or disposal is, in the reasonable judgment of the governing body of such Credit Party, desirable in the conduct of the business and (y) such discontinuance or disposal could not reasonably be expected to result in a Material Adverse Effect.

5.4 Notice of Material Events.

(a) Promptly upon any Authorized Officer of any Credit Party obtaining knowledge of (i) any Default or Event of Default, (ii) any action or event which could reasonably be expected to materially and adversely affect the performance of the Credit Parties' obligations under this Agreement or any other Fundamental Documents, the repayment of the Loans, or the security interests granted to the Administrative Agent (for the benefit of the Secured Parties) under this Credit Agreement or any other Fundamental Documents, (iii) any other action or event which could reasonably be expected to result in a Material Adverse Effect, (iv) the opening of any office of any Credit Party or the change of the executive office or the principal place of business of any Credit Party or of the location of any Credit Party's books and records with respect to the Collateral, (v) any change in the name or jurisdiction of organization of any Credit Party, (vi) any other event which could reasonably be expected to materially and adversely impact upon the amount or collection of any receivables, receipts or other revenue of the Credit Parties included in the Borrowing Base or otherwise materially decrease the value of any Collateral or Pledged Collateral, including the value of the Library (vii) any proposed material amendment to any material agreements that are part of the Collateral, or (viii) any Person giving any notice to any Credit Party of, or taking any other action to enforce remedies with respect to, a claimed default or event or condition of the type referred to in clause (g) or (h) of Article 7 hereof, such Credit Party shall promptly give written notice thereof to the Administrative Agent and each Lender specifying the nature and period of existence of any such condition or event, or specifying the notice given or action taken by such Person and the nature of such claimed Default, Event of Default or condition and what action any Credit Party has taken, is taking and proposes to take with respect thereto.

(b) Promptly upon any Authorized Officer of any Credit Party obtaining knowledge of (i) the institution of, or threat of, any action, suit, proceeding, investigation or arbitration by any Governmental Authority or other Person against or affecting any material portion any Credit Party's assets, (ii) the institution of, or threat of, any action, suit, proceeding, investigation or arbitration by any Governmental Authority or other Person against or affecting any Credit Party or any of their respective properties or rights which, if adversely determined, could be reasonably expected to result in a Material Adverse Effect, or (iii) any material development in any such action, suit, proceeding, investigation or arbitration (whether or not previously disclosed to the Lenders) which, if decided adversely, could reasonably be expected to result in a Material Adverse Effect, such Credit Party shall promptly give written notice thereof to the Administrative Agent and each Lender and provide such other information as may be available to it to enable the Lenders to evaluate such matters; and, in addition to the requirements set forth in clauses (i), (ii) and (iii) of this subsection (b), such Credit Party shall upon request shall promptly give notice of the status of any action, suit, proceeding, investigation or arbitration covered by a report delivered to the Secured Parties pursuant to clause (i), (ii) or (iii) above to the Secured Parties and provide such other information as may be reasonably requested and available to it to enable the Secured Parties to evaluate such matters.

5.5 Insurance.

(a) Keep its assets which are of an insurable character insured (to the extent and for the time periods consistent with customary industry standards), but in no event less than required by any License Agreement on which any Borrowing Base credit is extended by financially sound and reputable insurers against loss or damage by fire, explosion, theft or other

hazards which are included under extended coverage in amounts not less than the insurable replacement value of the property insured or such lesser amounts, and with such self-insured retention or deductible levels, as are consistent with normal industry standards, and a key man life insurance policy in an amount not less than US\$5 million for Andrea Gorfolova that shall at all times name the Borrower as a loss payee on such insurance policy.

(b) Maintain with financially sound and reputable insurers, insurance against other hazards and risks and liability to Persons and property to the extent and in the manner consistent with customary standards.

(c) Without limiting clause (b) above, maintain, or cause to be maintained, in effect during the period from the first date an Item of Product was included in the Borrowing Base for a customary three-year term and as otherwise required by applicable contracts, a so-called “Errors and Omissions” policy covering all such Items of Product, and cause such Errors and Omissions policy to provide coverage to the extent and in such manner as is customary for Items of Product of like type but, at minimum, to the extent and in such manner as is required under all applicable contracts relating thereto (including, without limitation, any License Agreement relating to such Item of Product) on which any Borrowing Base credit is extended with respect to such Item of Product.

(d) Without limiting clause (b) above, maintain in effect at all times, a blanket distributors “Errors and Omissions” policy covering all Items of Product, and cause such Errors and Omissions policy to provide coverage to the extent and in such manner as is customary for Items of Product of like type but, at minimum, to the extent and in such manner as is required under all applicable contracts relating thereto (including, without limitation, any relevant License Agreement).

(e) Cause all such above-described insurance (excluding worker’s compensation insurance): (i) to provide for the benefit of the Lenders that thirty (30) days’ prior written notice of cancellation, termination, non-renewal or lapse or material change of coverage shall be given to the Administrative Agent; (ii) to name the Administrative Agent for the benefit of the Secured Parties as a loss payee (except for “Errors and Omissions” insurance and other third party liability insurance); provided, however, that, so long as no Default or Event of Default has occurred or is continuing, property insurance proceeds may be used to repair damage in respect of which such proceeds were received; and (iii) to the extent that none of the Secured Parties shall be liable for premiums or calls, to name the Administrative Agent (for the benefit of the Secured Parties) as an additional insured including, without limitation, under any “Errors and Omissions” policy.

(f) Render to the Administrative Agent upon the request of the Administrative Agent a broker’s report in form and substance reasonably satisfactory to the Administrative Agent as to all such insurance coverage including such detail as the Administrative Agent may reasonably request.

(g) During the continuance of an Event of Default, the Administrative Agent shall direct and control all insurance claims and settlements involving amounts in excess of US\$250,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) and,

upon acceleration hereunder, the Administrative Agent shall direct and control all insurance claims and settlements (regardless of amount).

5.6 Music. With respect to any Item of Product produced by a Credit Party, when an Item of Product has been scored, if requested by the Administrative Agent, deliver to the Administrative Agent within a reasonable period of time after such request (a) written evidence of the music synchronization rights, if any, obtained from the composer or the licensor of the music, and (b) copies of all music cue sheets with respect to such Item of Product.

5.7 Copyrights and Trademarks.

(a) As soon as practicable, (i) to the extent any U.S. Credit Party (A) is or becomes the copyright proprietor in respect of any Item of Product or otherwise acquires a copyrightable interest in any Item of Product the author of which (for copyright purposes) is a United States Person or (B) acquires any trademark, service mark, trade name or service name, take any and all actions necessary to register in the USCO or the USPTO, the copyright for each such Item of Product or each such trademark, service mark, trade name or service name, in the name of such U.S. Credit Party in conformity with the laws of the United States (such copyright registrations in the United States to reflect each separate copyrightable work); (ii) to the extent any Canadian Credit Party (A) is or becomes the copyright proprietor in respect of any material Item of Product the author of which (for copyright purposes) is a Canadian Person or (B) acquires any material trademark, service mark, trade name or service name, take any and all actions necessary to register in the CIPO each such material copyright, trademark, service mark, trade name or service name in the name of such Canadian Credit Party in conformity with the laws of Canada (such copyright registrations in Canada to reflect each separate copyrightable work); and (iii) to the extent any U.K. Credit Party acquires any material trademark, service mark, trade name or service name, take any and all actions necessary to register in the UK Intellectual Property Office or the Office of Harmonization for the Internal Market – Community Trademarks Register (in the discretion of such U.K. Credit Party) each such material trademark, service mark, trade name or service name, in the name of such U.K. Credit Party, in conformity with the laws of the United Kingdom or the European Union, as applicable, and in the cases of clauses (i) through (iii) deliver to the Administrative Agent within ten (10) days written evidence of the filing of applications to register any and all such copyrights, trademark, service mark, trade name or service names.

(b) As soon as practicable and in any event within ten (10) days after the creation or acquisition by any Credit Party of any copyright (or, in the case of any U.S. Credit Party, any copyrightable interest in a copyrighted work the author of which is a U.S. Person), trademark, service mark, trade name or service name which is owned solely by such Credit Party, such Credit Party shall deliver to the Administrative Agent: (i) in the case of the U.S. Credit Parties (with respect to copyrighted works the author of which is a U.S. Person), a Copyright Security Agreement Supplement or a supplement to the Trademark Security Agreement (in form and substance satisfactory to the Administrative Agent), as applicable, relating to such copyright, trademark, service mark, trade name or service name, executed by such U.S. Credit Party; and (ii) in the case of the Credit Parties other than the U.S. Credit Parties, such other supplements or other documents or instruments as required by any applicable Security Documents or as the Administrative Agent may request (in form and substance satisfactory to the

Administrative Agent) relating to such copyright, trademark, service mark, trade name or service name, executed by such Credit Party.

(c) Maintain all material trademark and material trade name registrations and prosecute all material trademark and material trade name applications in the name of the applicable Credit Party, and take any all actions necessary to register any trademarks and trade names as such Credit Party may use which are of substantial value to such Credit Party in the name of such Credit Party in conformity with the laws of the United States, Canada, the United Kingdom and such other jurisdictions as may be appropriate, and, on a quarterly basis deliver to the Administrative Agent (i) written evidence of all such trademark or trade name registrations for inclusion in the Collateral under this Credit Agreement and (ii) a supplement to the Trademark Security Agreement (in form and in substance satisfactory to the Administrative Agent) or acknowledgement of security for filing with the CIPO, in each case relating to such trademark or trade name, executed by such Credit Party.

(d) Obtain instruments of transfer or other documents evidencing the interest of any Credit Party with respect to the copyright relating to Items of Product in which such Credit Party is not entitled to be the initial copyright proprietor and any trademark, service mark, trade name or service name which such Credit Party acquires.

5.8 Books and Records, Examination.

(a) Maintain or cause to be maintained at all times true and complete books and records of its financial operations and provide the Administrative Agent and its representatives (and after the occurrence and during the continuance of an Event of Default and with reasonable coordination, the Lenders and their representatives) access to such books and records and to any of its properties or assets upon reasonable notice and during regular business hours (and, unless an Event of Default shall have occurred and be continuing, with no more frequency than is reasonable) in order that the Administrative Agent (and the Lenders, if applicable) may make such audits and examinations and make abstracts from such books, accounts, records and other papers pertaining to the Collateral and upon notification to the Credit Parties, permit the Administrative Agent or its representatives (and after the occurrence and during the continuance of an Event of Default and with reasonable coordination, the Lenders and their representatives) to discuss the affairs, finances and accounts with, and be advised as to the same by, officers and independent accountants, all as the Administrative Agent (or the Lenders, if applicable) may reasonably deem appropriate for the purpose of verifying the accuracy of each report delivered by any Credit Party to the Administrative Agent and/or the Lenders pursuant to this Credit Agreement or for otherwise ascertaining compliance with this Credit Agreement or any other Fundamental Document.

(b) If, at any time when no continuing Event of Default exists, the Administrative Agent wishes to confirm with account debtors and other payors the amounts and terms of any or all receivables, the Administrative Agent will so notify the Credit Parties. The Administrative Agent agrees to have such confirmation made through the Credit Parties' auditors. If for any reason such auditors fail to proceed with the confirmations in a timely manner, the Administrative Agent may proceed to make such confirmations directly with account debtors and other payors after prior written notice to the Borrower. Each of the Credit

Parties hereby agrees that, upon the occurrence and during the continuance of an Event of Default, the Administrative Agent shall be entitled to confirm directly with account debtors and other payors, the amounts and terms of all accounts receivable.

(c) At the expense of the Credit Parties, cause annual field audits (including audits of the Borrowing Base procedures and controls relating to the Borrowing Base) to be completed (no more frequently than once per year) and cause the results thereof to be satisfactory to the Administrative Agent (unless an Event of Default shall have occurred and be continuing, in which case (i) no such notice shall be required and (ii) there shall be no limitation on the number of audits that may be conducted).

5.9 Third Party Audit Rights. Promptly notify the Administrative Agent of, and at all times allow the Administrative Agent or its designee access to the results of, (a) all audits conducted by any Credit Party of any third party licensee, partnership, Co-Financier, Licensee or joint venturer, (b) any audit conducted by any Credit Party of any Acceptable Obligor and (c) all audits conducted by any advertiser or any creditor of any of the Credit Parties. The Credit Parties will exercise their audit rights with respect to any such third party licensees, partnerships and joint ventures upon the reasonable request of the Administrative Agent to the extent that the Credit Parties shall have the right to conduct such audits. If an Event of Default has occurred and is continuing, the Administrative Agent shall have the right to exercise directly or through any Credit Party, such Credit Party's right to audit any obligor under an agreement with respect to any Item of Product included in the Collateral.

5.10 Observance of Agreements. Duly observe and perform all material terms and conditions of all material agreements with respect to the exploitation of Items of Product and diligently protect and enforce the rights of the Credit Parties under all such agreements in a manner consistent with prudent business judgment and subject to the terms and conditions of such agreements as from time to time in effect; provided that the foregoing shall not prohibit any Credit Party from availing itself of any defense to payment or performance under any material agreement under such contract or Applicable Law.

5.11 Laboratories; No Removal.

(a) To the extent any Credit Party has control over, or rights to receive, any of the Physical Materials relating to any Completed Item of Product, deliver or cause to be delivered to a Laboratory or Laboratories all negative and preprint material, master tapes and all sound track materials with respect to each such completed Item of Product and, in the case of the Credit Parties, deliver to the Administrative Agent a fully executed Pledgeholder Agreement with respect to such materials. To the extent that any Credit Party has only rights of access to preprint material or master tapes with respect to any Completed Item of Product, and has not created duplicate materials sufficient to exploit its rights and has not stored such duplicate materials at a Laboratory that has delivered a Pledgeholder Agreement to the Administrative Agent, then the applicable Credit Party will deliver to the Administrative Agent a fully executed Laboratory Access Letter covering such materials. Prior to requesting any such Laboratory to deliver any negative or other preprint or sound track material or master tapes to another Laboratory, such Credit Party shall provide the Administrative Agent with a Pledgeholder Agreement or Laboratory Access Letter, as appropriate, executed by such other Laboratory and

all other parties to such Pledgeholder Agreement or Laboratory Access Letter, as the case may be (including the Administrative Agent).

(b) Each Credit Party hereby agrees not to deliver or remove or cause the delivery or removal of the original negative and film or sound materials or master tapes with respect to any Completed Item of Product owned by any Credit Party or in which any Credit Party has an interest to a location outside the United States of America, Canada or the United Kingdom or such other jurisdiction satisfactory to the Administrative Agent in its reasonable discretion.

(c) With respect to Items of Product that are Completed after the date hereof, promptly after Completion, deliver to the Administrative Agent and the Laboratories which are signatories to Pledgeholder Agreements a revised schedule of the Physical Materials therefor on deposit with such Laboratories to the extent applicable.

5.12 Taxes and Charges; Indebtedness in Ordinary Course of Business. Duly pay and discharge, or cause to be paid and discharged, before the same shall become in arrears (after giving effect to applicable extensions), all material Taxes, assessments, levies and other governmental charges, imposed upon any Credit Party or its properties, sales and activities, or any part thereof, or upon the income or profits therefrom, as well as all claims for labor, materials, or supplies which if unpaid might by law become a Lien (other than a Permitted Encumbrance) upon any property of any Credit Party except for any such amounts which if unpaid, individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect; provided, however, that any such Tax, assessment, levy or charge need not be paid if the validity or amount thereof shall currently be contested in good faith by appropriate proceedings and if such Credit Party shall have set aside on its books reasonable reserves (the presentation of which is segregated to the extent required by Acceptable Accounting Standards) adequate with respect thereto if reserves shall be deemed necessary by such Credit Party in its good faith business judgment; and provided, further, that such Credit Party will pay all such Taxes, assessments, levies or other governmental charges forthwith upon the commencement of proceedings to foreclose any Lien which may have attached as security therefor (or, if earlier, the date on which such Tax Lien would take priority over any Liens in favor of the Administrative Agent) or post a bond or other security therefor. Each Credit Party will promptly pay when due, or in conformance with customary trade terms, all other indebtedness incident to its operations.

5.13 Liens. Defend the Collateral (including, without limitation, the Pledged Securities) against any and all Liens howsoever arising (other than Permitted Encumbrances) and the first priority status of the Lien in favor of the Administrative Agent (on behalf of the Secured Parties) therein prior to all Liens other than Specified Permitted Encumbrances in the case of all Collateral other than the Pledged Collateral, and prior to all other Liens in the case of the Pledged Collateral, and in any event defend against any attempted foreclosure (other than a foreclosure by the Administrative Agent under any Fundamental Document).

5.14 Further Assurances; Security Interests.

(a) Upon the reasonable request of the Administrative Agent, duly and promptly execute and deliver, or cause to be duly executed and delivered, at the cost and expense

of the Credit Parties, such further instruments as may be necessary or desirable in the reasonable judgment of the Administrative Agent to carry out the provisions and purposes of this Credit Agreement and the other Fundamental Documents.

(b) Upon the request of the Administrative Agent, (i) promptly execute and deliver or cause to be executed and delivered, at the cost and expense of the Credit Parties, such further instruments as may be appropriate in the reasonable judgment of the Administrative Agent, to provide the Administrative Agent (for the benefit of the Secured Parties) a first priority perfected Lien in the Collateral (including the Pledged Securities) with the priority contemplated by Section 3.18 hereof and any and all documents (including, without limitation, the execution, amendment or supplementation of any financing statement and continuation statement or other statement) for filing under the provisions of the UCC, the PPSA, and the rules and regulations thereunder, or any other Applicable Law, and (ii) perform or cause to be performed such other ministerial acts which are reasonably necessary or advisable, from time to time, in order to grant and maintain in favor of the Administrative Agent (for the benefit of the Secured Parties) the security interest in the Collateral (including the Pledged Collateral) with the priority contemplated by hereunder and under the other Fundamental Documents.

(c) Promptly undertake to deliver or cause to be delivered to the Administrative Agent from time to time such other documentation, consents, authorizations and approvals in form and substance reasonably satisfactory to the Administrative Agent, as the Administrative Agent shall deem reasonably necessary or advisable to perfect or maintain the Liens of the Administrative Agent (for the benefit of the Secured Parties).

5.15 ERISA and Canadian Plan Compliance and Reports.

(a) Furnish to the Administrative Agent (i) as soon as possible, and in any event within thirty (30) days after any executive officer of a Credit Party has knowledge that (A) any Reportable Event with respect to any U.S. Plan has occurred, a statement of an executive officer of the Credit Party, setting forth on behalf of such Credit Party details as to such Reportable Event and the action which it proposes to take with respect thereto, together with a copy of the notice, if any, required to be filed of such Reportable Event given to the PBGC or (B) an accumulated funding deficiency has been incurred or an application has been made to the Secretary of the Treasury for a waiver or modification of the minimum funding standard or an extension of any amortization period under Section 412 of the Code with respect to a U.S. Plan or Multiemployer Plan has been or is proposed to be terminated, reorganized, partitioned or declared insolvent under Title IV of ERISA, proceedings have been instituted to terminate a U.S. Plan if such U.S. Plan is subject to Title IV of ERISA, a proceeding has been instituted pursuant to Section 515 of ERISA to collect a delinquent contribution to a Multiemployer Plan, or any such Credit Party or ERISA Affiliate will incur any liability (including any contingent or secondary liability) to or on account of the termination of or withdrawal from a U.S. Plan subject to Title IV of ERISA or Multiemployer Plan under Sections 4062, 4063, 4201 or 4204 of ERISA, a statement of an executive officer of the Credit Party, setting forth details as to such event and the action the applicable Credit Party proposes to take with respect thereto, (ii) promptly upon reasonable request of the Administrative Agent, (X) copies of each annual and other report (including any actuarial report) with respect to each U.S. Plan, and (Y) copies of any documents described in Section 101(k)(1) of ERISA that a Credit Party or any ERISA Affiliate

may request with respect to any Multiemployer Plan, and any notices described in Section 101(l)(1) of ERISA that a Credit Party or any ERISA Affiliate may request with respect to any Multiemployer, provided, that if a Credit Party or any ERISA Affiliate have not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, a Credit Party or any ERISA Affiliate shall promptly make a request for such documents or notices from such administrator or sponsor and shall provide copies of such documents and notices promptly after receipt thereof, and (iii) promptly after receipt thereof, a copy of any notice any Credit Party or ERISA Affiliate may receive from the PBGC relating to the PBGC's intention to terminate any U.S. Plan subject to Title IV of ERISA or to appoint a trustee to administer any Plan subject to Title IV of ERISA.

(b) Each Credit Party and each of their applicable Subsidiaries shall (i) ensure that all Canadian Plans administered by it, or into which it is required to make payments, obtains or retains (as applicable) registered status under and as required by Applicable Law and is administered in a timely manner in all respects in compliance with all Applicable Law, except where the failure to do so would not result in a Material Adverse Effect; and (ii) furnish to the Administrative Agent as soon as possible, and in any event within ten (10) days after receipt, copies of any notices received by any Credit Party with respect to any Canadian Plan with respect to which there would reasonably be expected to be a Material Adverse Effect.

5.16 Environmental Laws.

(a) Promptly notify the Administrative Agent upon an Authorized Officer of any Credit Party becoming aware of any violation or potential violation or non-compliance with, or liability or potential liability under any Environmental Laws which, when taken together with all other pending violations could reasonably be expected to have a Material Adverse Effect, and promptly furnish to the Administrative Agent all notices of any nature which any Credit Party may receive from any Governmental Authority or other Person with respect to any violation, or potential violation or non-compliance with, or liability or potential liability under any Environmental Laws which, in any case or when taken together with all such other notices, could reasonably be expected to have a Material Adverse Effect.

(b) Comply with and use reasonable efforts to ensure compliance by all tenants and subtenants with all Environmental Laws, and obtain and comply in all respects with and maintain and use best efforts to ensure that all tenants and subtenants obtain and comply in all respects with and maintain any and all licenses, approvals, registrations or permits required by Environmental Laws, except where failure to do so could not have a Material Adverse Effect.

(c) Conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under all Environmental Laws and promptly comply in all material respects with all lawful orders and directives of all Governmental Authorities, except where failure to do so could not have a Material Adverse Effect. Any order or directive whose lawfulness is being contested in good faith by appropriate proceedings shall be considered a lawful order or directive when such proceedings, including any judicial review of such proceedings, have been finally concluded by the issuance of a final non-appealable order; provided, however, that the appropriate Credit Party shall have set aside on its books reasonable reserves (the presentation of which is segregated to the extent required by Acceptable

Accounting Standards) adequate with respect thereto if reserves shall be deemed necessary by such Credit Party in its good faith determination.

(d) Defend, indemnify and hold harmless the Secured Parties, and their respective employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to the violation of or non-compliance by any Credit Party with any Environmental Laws, or any orders, requirements or demands of Governmental Authorities related thereto, including, without limitation, reasonable attorney and consultant fees, investigation and laboratory fees, court costs and litigation expenses, but excluding therefrom all claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses arising out of or resulting from (i) the gross negligence or willful acts or willful misconduct of any indemnified party or (ii) any claims, demand, penalties, fines, liabilities, settlements, damages, costs and expenses against an indemnified party by any Credit Party in which (but only to the extent that) such Credit Party is the prevailing party.

5.17 License Agreements, etc.

(a) Promptly upon receipt thereof, deliver to the Administrative Agent to be held as part of the Collateral, the original of all letters of credit (including any amendments thereto) which are issued for the benefit of a Credit Party (as opposed to a Licensing Intermediary) and have been received by a Credit Party (whether pursuant to a License Agreement or otherwise) after the date hereof; provided, that, so long as no Event of Default shall have occurred and is continuing, the Administrative Agent shall, upon written request from the Borrower to the effect that it intends to promptly present such a letter of credit for drawing, release any such letter of credit to the Borrower in order to permit it to do so.

(b) Furnish to the Administrative Agent, concurrently with the delivery of each quarterly compliance certificate, (i) a list in the form of Schedule 3.17 hereto of all material License Agreements executed during the preceding quarter and all material amendments to existing License Agreements which amendments were executed during the preceding quarter, and (ii) copies of all Notices of Assignment (as required by Article 4 hereof and Section 8.3 hereof) executed during the preceding quarter.

(c) From time to time (i) furnish to the Administrative Agent such information and reports regarding the License Agreements as the Administrative Agent may reasonably request, and (ii) upon the occurrence and during the continuation of an Event of Default and the reasonable request of the Administrative Agent, make to the other parties to a License Agreement to which any Credit Party is a party such demands and requests for information and reports or for action as such Credit Party is entitled to make under each such License Agreement.

(d) Take all action on its part to be performed necessary to effect timely payments under all letters of credit, including, without limitation, timely preparation, acquisition and presentation of all documents, drafts or other instruments required to effect payment thereunder.

5.18 Performance of Obligations. Duly observe and perform all material terms and conditions of all production services agreements with respect to an Item of Product to which a Credit Party is a party, the License Agreements, all agreements that are included in the chain of title for an Item of Product to which a Credit Party is a party and all other material agreements with respect to the production, development and/or exploitation of an Item of Product to which a Credit Party is a party and diligently protect and enforce the rights of any Credit Party under all such agreements in a manner consistent with prudent business judgment.

5.19 Subsidiaries. Prior to commencement of operations of any new Subsidiary of a Credit Party, the Credit Parties shall cause such new Subsidiary to deliver to the Administrative Agent: (i) an Instrument of Assumption and Joinder duly executed by such Subsidiary, (ii) an appropriate UCC-1 and/or PPSA financing statement and/or Form MG01 for such Subsidiary, (iii) to the extent that 100% of the Equity Interests of such Subsidiary have not previously been pledged to the Administrative Agent (for the benefit of the Secured Parties), an executed pledge agreement (to the extent certificated) and the certificates representing 100% of the Equity Interests of such Subsidiary together (in the case of Pledged Securities comprising capital stock) with undated stock powers executed in blank, as applicable, or any comparable documents for non-corporate entities, and (iv) organizational documents of the type described in Section 4.1 hereof.

5.20 Production Covenant. Cause any Item of Product for which credit is included in the Borrowing Base prior to its Completion and delivery to be Completed no later than the required delivery and acceptance date (if any) under any License Agreement that gives rise to any such Borrowing Base credit.

5.21 Bank Accounts. Provide written notice to the Administrative Agent of any bank account opened by a Credit Party or by any Licensing Intermediary into or through which any proceeds of any Item of Product are to be remitted after the Closing Date.

5.22 Provisions Regarding Receivables.

(a) Cause each License Agreement (or an Interparty Agreement or Notice of Assignment entered into in accordance therewith) entered into to provide that any and all payments to be made in favor of a Credit Party thereunder shall be remitted directly to a Collection Account or to a Licensing Intermediary in a manner that satisfies the parameters described in Section 5.22(b) hereof. Notwithstanding the foregoing and provided that Borrower shall not receive any Borrowing Base credit for such Item of Product, to the extent the counterparty under any existing License Agreement (or any interparty agreement and/or notice of assignment or direction to pay related thereto) is obligated or has agreed to make all contractually obligated payments into a specified account, it shall be directed to continue to pay into such account so long as it is subject to an Account Control Agreement and sweep mechanism reasonably satisfactory to the Administrative Agent.

(b) Cause each Licensing Intermediary to (i) provide a first priority accommodation security interest in favor of the Administrative Agent in any distribution rights of any Item of Product which are to be remitted to or through such Licensing Intermediary, and in any proceeds thereof including any letters of credit, pursuant to documentation satisfactory to

the Administrative Agent, (ii) agree in writing to remit all gross receipts with respect to each Item of Product received by such Licensing Intermediary, net of its customary fees and expenses, to the Collection Account within five (5) Business Days after its receipt thereof and (iii) enter into arrangements satisfactory to the Administrative Agent ensuring that such net receipts will not be co-mingled with the assets of such Licensing Intermediary that are not related to an Item of Product.

5.23 Post-Closing Covenants.

(a) By no later than January 15, 2014, not to be extended without the prior written consent of the Administrative Agent, deliver to the Administrative Agent the Library Valuation Report;

(b) By no later than one hundred eighty (180) days after the Closing Date, not to be extended without the prior written consent of the Administrative Agent, cause a final field audit (including an audit of the Borrowing Base procedures and controls relating to the Borrowing Base) to be completed at the expense of the Credit Parties and for the results thereof to be satisfactory to the Administrative Agent; and

(c) By no later than one hundred fifty (150) days after the Closing Date, not to be extended without the prior written consent of the Administrative Agent, deliver to the Administrative Agent the audited consolidated balance sheet of the Borrower and its Consolidated Subsidiaries as of the fiscal year which ended on May 31, 2013, and the related consolidated statements of income, retained earnings and cash flows for such fiscal year, accompanied by an unqualified report and opinion of a firm of certified public accountants selected by the Borrower subject to the reasonable approval of the Administrative Agent.

5.24 Sanctions Laws and Regulations.

(a) The Borrower shall not, directly or indirectly, use the proceeds of the Loans or other extensions of credit hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund any activities or business of or with any Designated Person, or in any country or territory, that at the time of such funding is the subject of any sanctions under any Sanctions Laws and Regulations, or (ii) in any other manner that would result in a violation of any Sanctions Laws and Regulations by any party to this Credit Agreement.

(b) None of the funds or assets of the Borrower that are used to pay any amount due pursuant to this Credit Agreement shall constitute funds obtained from transactions with or relating to Designated Persons or countries which are the subject of sanctions under any Sanctions Laws and Regulations.

5.25 Permitted Co-Financed Items of Product. Except as otherwise provided in subsection (f) hereof, the Credit Parties will, prior to requesting Borrowing Base credit on the basis of any co-financed Item of Product, provide evidence satisfactory to the Administrative Agent that the following terms and conditions have been and remain satisfied with respect to such Item of Product:

- (a) such Item of Product meets the parameters for a Permitted Co-Financed Item of Product, and a Co-Financing Intercreditor Agreement has been delivered with respect to such Item of Product;
- (b) a Credit Party or a Permitted Counterparty acceptable to the Administrative Agent controls distribution rights relating to such Item of Product;
- (c) any Lien retained by the Permitted Counterparty in any rights relating to such Item of Product (except solely to the extent such Lien secures the Permitted Counterparty's distribution rights in its territories (if applicable)) shall be limited to its right to recoup its related distribution expenses and/or other amounts relating to its distribution of such Item of Product in its territories (other than recoupment of negative costs or reserves relating to the Item of Product) and shall be subordinated to the Lien of the Administrative Agent (for the benefit of the Secured Parties);
- (d) the Permitted Counterparty shall not have a right to enforce any claim against any portion of the copyright or otherwise in relation to the Item of Product or the receivables related thereto, independent of the remedies to be pursued by the Administrative Agent (on behalf of the Secured Parties), it being understood that a Co-Financing Intercreditor Agreement between the Permitted Counterparty and the Administrative Agent will prohibit any action by the Permitted Counterparty (including the exercise of remedies with respect to any Liens) which would interfere with the distribution of the Item of Product pursuant to any License Agreement or the collection of amounts payable thereunder, will provide the Administrative Agent with the control of remedies against licensees of the Item of Product and the right to deduct the costs of enforcement of such remedies from the amounts payable realized before making distribution of the Permitted Counterparty's share of such amounts payable to the Permitted Counterparty, will allow the Permitted Counterparty to pursue remedies only against the applicable Credit Parties (and only for money damages); and
- (e) the applicable documentation provides that upon the request of the Administrative Agent, the applicable Credit Party shall provide to the Administrative Agent copies of chain of title documentation, security documentation, Laboratory Access Letters or Pledgeholder Agreements (as applicable), Notices of Assignment, Account Control Agreements and any other documentation reasonably necessary in the Administrative Agent's discretion to perfect the Administrative Agent's security interest in such Permitted Co-Financed Item of Product.

6. NEGATIVE COVENANTS

From the date hereof and for so long as the Commitments shall be in effect, any amount shall remain outstanding under any Loan or Note shall remain outstanding or any other Obligation shall remain unpaid or unsatisfied, each of the Credit Parties agrees that, unless the Administrative Agent and Required Lenders shall otherwise consent in writing, it will not and will not allow any other Credit Party to:

6.1 Limitations on Indebtedness. Incur, create, assume or suffer to exist any preferred Equity Interest or Indebtedness or permit any partnership or joint venture in which any Credit

Party is a general partner to incur, create, assume or suffer to exist any Indebtedness or preferred Equity Interest other than:

- (a) the Indebtedness represented by the Loans, the Notes and the other Obligations;
- (b) Guaranties permitted pursuant to Section 6.3 hereof;
- (c) unsecured liabilities for acquisitions of rights or Items of Product and trade payables incurred in the ordinary course of business and payable on normal trade terms and not otherwise prohibited hereunder;
- (d) unsecured liabilities relating to net or gross profit participations and other contingent compensation, including royalties, deferments and guild residuals with respect to the production, distribution, acquisition or other exploitation of Items of Product;
- (e) Indebtedness in respect of inter-company advances or intercompany receivables between one or more Credit Parties;
- (f) Indebtedness arising in connection with transactions contemplated by Section 6.8 hereof;
- (g) Subordinated Debt;
- (h) the Indebtedness pursuant to the Gorfolova Loan, subject to the terms of the Gorfolova Subordination Agreement;
- (i) the Indebtedness pursuant to the Cooking Channel Transaction, subject to the terms of the Cooking Channel Agreement;
- (j) Indebtedness in respect of secured purchase money financing (including Capital Leases) to the extent permitted by Section 6.2(n) hereof, in an amount not to exceed US\$400,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) in the aggregate outstanding;
- (k) Indebtedness between the Borrower and a Credit Party which owns an item of Collateral incurred in connection with the financing of the costs for a related Item of Product; and
- (l) (i) Indebtedness to a Co-Financier with respect to funding the Credit Parties' contributions towards Budgeted Negative Cost of the subject Item of Product, and (ii) to the extent constituting Indebtedness, non-recourse Indebtedness to Co-Financiers relating to their negotiated share of the proceeds of an Item of Product;
- (m) Indebtedness pursuant to Currency Agreements or Swap Agreements permitted under Section 6.18 hereof.

6.2 Limitations on Liens. Incur, create, assume or suffer to exist any Lien on any of its revenue stream, property or assets, whether now owned or hereafter acquired, except:

(a) the Liens of the Administrative Agent (for the benefit of the Secured Parties) under this Credit Agreement, the other Fundamental Documents, any other document contemplated hereby or thereby;

(b) Liens pursuant to written security agreements in favor of guilds which are required pursuant to collective bargaining agreements on terms reasonably satisfactory to the Administrative Agent;

(c) Liens customarily granted or incurred in the ordinary course of business with regard to goods provided or services rendered by laboratories and production houses, record warehouses, common carriers, landlords, warehousemen, mechanics and suppliers of materials and equipment; provided, that such Liens are limited to the goods provided or to the goods relating to the services rendered in amounts not exceeding US\$500,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) in the aggregate;

(d) Liens arising out of attachments, judgments or awards as to which an appeal or other appropriate proceedings for contest or review are timely commenced (and as to which foreclosure and other enforcement proceedings shall not have been commenced (unless fully bonded or otherwise effectively stayed)) and as to which appropriate reserves have been established in accordance with Acceptable Accounting Standards;

(e) Liens for Taxes, assessments or other governmental charges or levies the validity or amount of which is not yet due or is currently being contested in good faith by appropriate proceedings pursuant to the terms of Section 5.12 hereof;

(f) Liens arising by virtue of any statutory or common law provision relating to banker's Liens, rights of setoff or similar rights with respect to deposit accounts;

(g) Liens in favor of Licensees to secure their right to enjoy their licensed rights pursuant to License Agreements entered into in the ordinary course of business on terms reasonably satisfactory to the Administrative Agent; provided, that each Licensee has entered into an Interparty Agreement or Notice of Assignment with the Administrative Agent in form and substance satisfactory to the Administrative Agent;

(h) Liens to secure transactions permitted under Section 6.8 hereof;

(i) Liens in favor of a Co-Financier of an Item of Product, provided, that such Liens shall be subject to a Co-Financing Intercreditor Agreement and consistent with the requirements of Section 5.25 hereof

(j) existing Liens listed on Schedule 6.2 hereto;

(k) Liens in connection with purchase money Indebtedness incurred in connection with Capital Expenditures, provided that such Liens only cover the property so purchased and are acceptable to the Administrative Agent in its reasonable discretion and the

Indebtedness secured thereby does not exceed the acquisition cost of the particular assets acquired;

(l) possessory Liens (other than those of Laboratories and production houses permitted under Section 6.2(c) hereof) which (i) occur in the ordinary course of business, (ii) secure normal trade debt which is not yet due and payable and (iii) do not secure Indebtedness;

(m) deposits (i) under worker's compensation, unemployment insurance, old age pensions and other Social Security laws or (ii) to secure statutory obligations or surety, appeal, performance or other similar bonds (other than completion bonds) and other obligations of a like nature, in each case incurred in the ordinary course of business (other than completion bonds); and

(n) deposits to secure a Credit Party's performance as a lessee under leases of real or personal property in an aggregate amount not to exceed US\$400,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) at any one time outstanding.

6.3 Limitation on Guaranties. Incur, create, assume or suffer to exist any Guaranty (including any obligation as a general partner of a partnership or as a joint venturer of a joint venture in respect of Indebtedness of such partnership or joint venture), either directly or indirectly, except:

(a) performance guaranties in the ordinary course of business under guild agreements, or to suppliers, talent, licensees or laboratories which are providing services in connection with the production, acquisition, distribution or exploitation of any Item of Product by or for a Credit Party;

(b) the endorsement of negotiable instruments for deposit or collection in the ordinary course of business;

(c) the Guaranties made by the Guarantors pursuant to Article 9 hereof;

(d) customary Guaranties in connection with participations and deferments;

(e) Guaranties by a Credit Party of obligations of another Credit Party, that the guarantor could have incurred directly as a primary obligor without violating the terms of any Fundamental Documents; and

(f) existing Guaranties listed on Schedule 6.3 hereto and any extension and renewals thereof reasonably acceptable to the Administrative Agent.

6.4 Limitations on Investments. Create, make or incur any Investment after the date hereof, except:

(a) the purchase of Cash Equivalents;

(b) Guaranties permitted under Section 6.3 hereof to the extent constituting Investments;

(c) Investments by a Credit Party in any wholly-owned Subsidiary of such Credit Party so long as such Subsidiary is also a Credit Party;

(d) Investments constituting intercompany Indebtedness permitted under Section 6.1(e) hereof;

(e) Investments in connection with Items of Product, in anticipation of or in connection with the development or exploitation of Items of Product;

(f) Investments in the form of Currency Agreements or Swap Agreements permitted under Section 6.18;

(g) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of suppliers, customers or other debtors or in settlement of delinquent obligations arising in the ordinary course of business;

(h) loans or advances to employees of a Credit Party in the ordinary course of business (such as travel advances); and

(i) Investments made as a result of the receipt of noncash consideration from a sale, transfer, lease or other disposition of any asset in compliance with Section 6.6 hereof.

6.5 Restricted Payments. Pay or declare or enter into any agreement to pay or otherwise become obligated to make any Restricted Payment, other than:

(a) dividends or distributions payable solely in additional shares of Equity Interests of a Credit Party;

(b) payments to a Guarantor that is directly or indirectly wholly-owned by the Borrower, or payments to the Borrower;

(c) reasonable compensation as contemplated by employment agreements satisfactory to the Administrative Agent;

(d) payments to Cooking Channel pursuant to the Cooking Channel Loan provided any such payments are from proceeds received in connection with season 3 of *Nadia G's Bitchin' Kitchen* and from no other source;

(e) so long as no Default or Event of Default has occurred and is continuing, repayment (in full or in part) of the Gorfolova Loan;

(f) so long as no Default or Event of Default has occurred and is continuing, to the extent permitted under Section 14.15 hereof, payments to a Credit Party with respect to intercompany indebtedness, intercompany receivables or intercompany advances constituting Investments permitted under Section 6.4 hereof; and

(g) any redemption or other re-acquisition or retirement by a Credit Party (other than the Borrower) of Equity Interests in any other Credit Party (other than the Borrower)

in connection with the creation of a Subsidiary of such Credit Party or a merger or consolidation of such Credit Party, in each case as permitted herein;

(h) funding of an Investment to the extent permitted by Sections 6.4(c) and (d); and

(i) distributions or dividends to a Credit Party by its Subsidiary.

6.6 Consolidation, Merger or Sale of Assets, etc. Whether in one transaction or a series of transactions, wind up, liquidate or dissolve its affairs, or enter into any transaction of merger, amalgamation or consolidation, or sell or otherwise dispose of all or any substantial portion of its property, stock, Equity Interests or assets or agree to do or suffer any of the foregoing, except that (a) any Credit Party may merge, amalgamate or consolidate with and into, or transfer assets to, another Credit Party, including without limitation any Person which becomes a Guarantor immediately upon the completion of such merger, amalgamation, consolidation or transfer, and (b) any Credit Party (other than the Borrower) may wind up, liquidate or dissolve its affairs so long as prior thereto such Credit Party makes a disposition of all or its property, stock, Equity Interests or assets (other than assets of de minimis value) to another Credit Party; provided, that at the time of any such merger, amalgamation, consolidation, transfer, winding up, liquidation or dissolution and after giving effect thereto no Default or Event of Default shall have occurred and be continuing.

6.7 Receivables. Sell, discount or otherwise dispose of notes, accounts receivable or other obligations owing to any Credit Party except for the purpose of collection of accounts receivable in the ordinary course of business.

6.8 Sale and Leaseback. Enter into any arrangement with any Person or Persons, whereby in contemporaneous transactions any Credit Party sells essentially all of its right, title and interest in an Item of Product and acquires or licenses the right to distribute or exploit such Item of Product in media and markets accounting for substantially all the value of such Item of Product other than any such arrangement involving an Item of Product which does not impair the collateral position of the Administrative Agent and the Secured Parties and is evidenced by documentation acceptable to the Administrative Agent.

6.9 Places of Business; Change of Name, Jurisdiction. Change (i) the location of its chief executive office or principal place of business, (ii) any of the locations where it keeps any material portion of the Collateral or its books and records with respect to the Collateral or (iii) its name or jurisdiction of organization without, in each case, (a) giving the Administrative Agent ten (10) Business Days' prior written notice of such change, and (b) filing any additional UCC or PPSA financing statements or financing change statements or Forms MG01, and such other documents reasonably requested by the Administrative Agent to maintain perfection of the security interest of the Administrative Agent (for the benefit of the Secured Parties) in the Collateral.

6.10 Limitations on Capital Expenditures. Make, incur or suffer to exist any obligation to make, Capital Expenditures in an aggregate amount for all Credit Parties in excess of US\$300,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) in

fiscal year 2014, and thereafter, US\$250,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) per fiscal year.

6.11 Transactions with Affiliates. Enter into any transaction with any of its Affiliates unless such transaction (a) is approved by the Administrative Agent, (b) is solely between Credit Parties, (c) is permitted by the Fundamental Documents or (d) is in the good faith determination of the Credit Parties on terms no less favorable to the Credit Parties than could be obtained in an arm's length third-party transaction.

6.12 Business Activities. Engage in any business activities of any respect other than (a) those relating to the development, production, co-production, co-financing, acquisition, distribution and other exploitation of Items of Product and any other activities customarily incidental thereto by independent production companies similarly situated to the Borrower at any relevant time of determination, (b) performing its obligations under the Fundamental Documents and under all other agreements related to any of the foregoing activities and performing all activities related thereto and/or not prohibited hereunder.

6.13 Fiscal Year End. Change its fiscal year end to other than May 31 in each year without the prior written consent of the Administrative Agent.

6.14 Bank Accounts. After the date hereof, open or maintain any bank account other than (a) accounts maintained at the Administrative Agent for which Account Control Agreements have been executed and delivered to the Administrative Agent, or (b) accounts maintained at a Lender or other financial institutions approved by the Administrative Agent (not to be unreasonably withheld) for which Account Control Agreements have been executed and delivered to the Administrative Agent, or (c) a Production Account approved by the Administrative Agent.

6.15 ERISA Compliance. Engage in a "prohibited transaction", as defined in Section 406 of ERISA or Section 4975 of the Code, with respect to any U.S. Plan or Multiemployer Plan or knowingly consent to any other "party in interest" or any "disqualified person", as such terms are defined in Section 3(14) of ERISA and Section 4975(e)(2) of the Code, respectively, engaging in any "prohibited transaction", with respect to any U.S. Plan or Multiemployer Plan; or permit any U.S. Plan fail to satisfy the minimum funding standard (within the meaning of Section 302 of ERISA or Section 412 of the Code), unless such failure shall have been waived in advance by the Internal Revenue Service; or terminate any U.S. Plan in a manner which could result in the imposition of a Lien on any property of any Credit Party pursuant to Section 4068 of ERISA; or breach or knowingly permit any employee or officer or any trustee or administrator of any U.S. Plan to breach any fiduciary responsibility imposed under Title I of ERISA with respect to any U.S. Plan; engage in any transaction which would result in the incurrence of a liability under Section 4069 of ERISA; or fail to make contributions to a U.S. Plan or Multiemployer Plan which could result in the imposition of a Lien on any property of any Credit Party pursuant to Section 303(k) of ERISA or Section 430(k) of the Code, if the occurrence of any of the foregoing events (alone or in the aggregate) would result in a liability which would be reasonably likely to result in a Material Adverse Effect.

6.16 Hazardous Materials. Cause or permit any of its properties or assets to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, except in compliance in all material respects with all applicable Environmental Laws, nor release, discharge, dispose of or permit or suffer any release or disposal as a result of any intentional act or omission on its part of Hazardous Materials onto any such property or asset in violation of any Environmental Law.

6.17 Use of Proceeds. Use the proceeds of any extensions of credit under the Facility, or the proceeds of any Items of Product, for purposes other than for (a) funding the development, pre-production, production, co-production, co-financing, acquisition, and/or distribution costs of the Credit Parties' Items of Product, (b) for other general working capital purposes (including overhead, development and payment of interest and fees under the Facility), (c) refinancing the existing Indebtedness and to pay transaction costs associated therewith and herewith, and (d) funding Capital Expenditures permitted under Section 6.10 hereof.

6.18 Currency Agreements/Swap Agreements. Enter into any Currency Agreements or Swap Agreements, except Currency Agreements or Swap Agreements entered into in order to (a) effectively cap, collar or exchange interest rates (from floating to fixed rates) with respect to any interest-bearing liability or investment of a Credit Party, (b) hedge foreign currency exposure in the ordinary course of business for negative costs or acquisition costs of Items of Product and anticipated receipts from Licensees, or (c) hedge foreign currency exposure in connection with Tax Benefits anticipated to be received.

6.19 Subsidiaries. Acquire or create any new direct or indirect Subsidiary except to the extent that the requirements of Section 5.19 hereof have been met with respect to such Subsidiary.

6.20 Amendment, Modification or Termination of Material Agreements. Effect or permit to occur (a) any amendment, alteration, modification, termination or waiver of the certificate of formation, limited liability company agreement, certificate of incorporation, by-laws or other analogous organizational or governance document of any Credit Party in any manner that is materially adverse to any Secured Party or its respective rights under the Fundamental Documents, without the prior written consent of the Required Lenders or (b) any amendment, alteration, modification, termination or waiver of any License Agreement if such amendment, alteration, modification, termination or waiver would result in the Facility Usage exceeding the Borrowing Base, (c) the assignment by the counterparty to any License Agreement of any of such counterparty's rights, obligations or interests thereunder (but this provision will not prohibit the Borrower's consenting to its licensee's sub-distributing any Item of Product) if such assignment could reasonably be expected to result in a Material Adverse Effect or in the Facility Usage exceeding the Borrowing Base, (d) any modification of any other material agreement, including without limitations those material agreements listed on Schedule 3.17 hereto, if such modification could reasonably be expected to result in a Material Adverse Effect or in the Facility Usage exceeding the Borrowing Base or (e) any amendment, alteration, modification, termination or waiver of any of the foregoing agreements in this Section 6.20 during the continuance of an Event of Default, without the prior written consent of the Required Lenders. For the purposes of this Section 6.20, any other agreement shall be deemed "material" if so deemed under Section 3.17 hereof. Borrower shall provide Administrative Agent with fully

executed copies of any document which amends or modifies any provision of any License Agreement on which any Borrowing Base credit exists.

6.21 No Negative Pledge. Enter into any agreement (i) prohibiting the creation or assumption of any Lien in favor of the Administrative Agent (for the benefit of the Secured Parties) or any Person(s) refinancing the Facility upon the properties or assets of any Credit Party, whether now owned or hereafter acquired, or (ii) requiring an obligation to be secured as a result of any Lien being granted to the Administrative Agent (for the benefit of the Secured Parties), except this Credit Agreement and the other Fundamental Documents.

6.22 Production Cost. Permit the production cost for a single Item of Product to exceed US\$20 million (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof); provided, however, that for one (1) Item of Product per annum, the production cost for a single Item of Product may be up to US\$30 million (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof).

6.23 Deficit Financing. From the date on which the Borrower is given Borrowing Base Credit for an Item of Product, cause such Item of Product to have any deficit financing (i.e., the total cost of production for each Item of Product shall be fully funded through Tax Benefits, other soft monies, the gross amount of Eligible Receivables (without regard to advance rates), and Co-Financiers provided a Co-Financer Intercreditor Agreement has been executed) except as follows:

(a) If the amount of deficit financing required to Complete an Item of Product is equal to or less than 10% of the Budgeted Negative Cost for such Item of Product (such amount being referred to as the “Deficit Amount”) on the date on which the Borrower requests Borrowing Base credit, the Borrower may provide the Administrative Agent with the projections for sales for the twenty-four (24) month period immediately following the proposed date of Borrowing Base credit, together with the Borrower’s good faith estimate of the initial date of broadcast of the first episode of such Item of Product. If the Administrative Agent, in its reasonable discretion, determines that such projections are sufficient to eliminate the Deficit Amount by the earlier of (i) the twelve (12) month period following the initial broadcast in North America of the first episode of an Item of Product or (ii) twenty-four (24) months from the proposed date of Borrowing Base Credit issuance for such Item of Product, then the Borrower may receive Borrowing Base credit for such Items of Product (provided all other terms and conditions of this Agreement are met).

(b) If the Borrower does not cause the Deficit Amount to be covered within the period set forth in Subsection 6.23(a) above, then the total remaining amount of the deficit shall be reserved and subtracted from the Borrowing Base availability pursuant to step (vii) of the Borrowing Base (such amount for each applicable Item of Product being referred to as the “Deficit Finance Reserve”). At such time as the Borrower provides the Administrative Agent with evidence that the Deficit Amount has been further reduced, the Deficit Finance Reserve shall be concurrently reduced by a corresponding amount. At such time as the Borrower provides Borrower’s annual audited financial statements showing an impairment for such Item of Product, then, provided Borrower is in compliance with the other covenants and conditions of this Agreement, the Deficit Finance Reserve shall be eliminated for such Item of Product.

6.24 Overhead Expenses. Permit the sum of all aggregate allocated and unallocated Overhead Expenses of the Credit Parties (calculated in accordance with Acceptable Accounting Standards, but excluding, for the avoidance of doubt, any development costs and development expenses) to exceed the amount set forth below in U.S. Dollars (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) during any fiscal year set forth below (with measurements as to compliance with this Section 6.24 determined at the end of each fiscal quarter):

Fiscal Year	Maximum Annual Overhead Expenses
2014	US\$4.5 Million
2015	US\$4.75 Million
2016	US\$5.0 Million
2017	US\$5.25 Million

6.25 Fixed Charges Coverage Ratio. Permit the ratio of (i) Consolidated EBITDA to (ii) Fixed Charges (the “Fixed Charges Coverage Ratio”) for any consecutive rolling four fiscal quarter period to be less than the following ratios for such periods ending on the following dates:

<u>Date</u>	<u>Ratio</u>
August, 2013	1.5:1:00
November, 2013 and each fiscal quarter-end thereafter	1.5:1:00

6.26 Minimum Consolidated EBITDA. Permit the Consolidated EBITDA, for any consecutive rolling four-quarter period beginning on the quarter ending May 31, 2014, to be less than \$8 million.

6.27 Limits on Minimum Guarantees/Negative Pick-Ups. Incur any minimum guarantee, negative pick-up or similar obligations in any fiscal year if the maximum amount payable or to be payable by the Credit Parties with respect to the Items of Product to which such obligations relate would exceed US\$12 million in such fiscal year (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) (net of the sum of (i) the gross amount of all Eligible Receivables (rather than the Borrowing Base resulting from such Eligible Receivables) contracted to result from the Credit Parties’ licensing of rights to distribute and/or exploit such Items of Product, (ii) the gross amount of Acceptable Tax Credits relating to such Items of Product, and (iii) the gross amounts payable to the Credit Parties under Canada Media Fund Grants with respect to such Items of Product).

7. EVENTS OF DEFAULT

In the case of the happening and during the continuance of any of the following events (herein called “Events of Default”):

(a) any representation or warranty made by a Credit Party in this Credit Agreement or any other Fundamental Document to which it is a party or any statement or representation made by a Credit Party in any report, financial statement, certificate or other document furnished to the Administrative Agent or any Lender pursuant to this Credit Agreement or any other Fundamental Document, shall prove to have been false or misleading in any material respect when made or delivered;

(b) default shall be made in the payment of principal of the Loans as and when due and payable, whether by reason of maturity, mandatory prepayment, acceleration or otherwise;

(c) default shall be made in the payment of interest on the Loans, Commitment Fees or other monetary Obligations, when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or by acceleration thereof or otherwise and such default shall continue unremedied for three (3) Business Days;

(d) default shall be made by any Credit Party in the due observance or performance of any covenant, condition or agreement contained in Section 5.1, 5.4, 5.22 or Article 6 of this Credit Agreement;

(e) default shall be made by or any Credit Party in the due observance or performance of any other covenant, condition or agreement to be observed or performed pursuant to the terms of this Credit Agreement or any other Fundamental Document, and such default shall continue unremedied for fifteen (15) Business Days after the applicable Credit Party receives written notice or obtains knowledge of such occurrence;

(f) default shall be made with respect to any payment of any Indebtedness in excess of US\$100,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) in the aggregate at any one time outstanding of any Credit Party (other than the Obligations or inter-Credit Party Indebtedness described in Section 6.1(e) hereof) when due, or in the performance of any other obligation incurred in connection with any such Indebtedness if the effect of such non-payment default is to accelerate the maturity of such Indebtedness or to permit the holder thereof to cause such Indebtedness to become due prior to its stated maturity and such default shall not be remedied, cured, waived or consented to within the period of grace with respect thereto;

(g) any Credit Party shall generally not pay its debts as they become due or shall admit in writing its inability to pay its debts, or shall make a general assignment for the benefit of creditors; or any Credit Party shall commence any case, proceeding or other action seeking to have an order for relief entered on its behalf as a debtor or to adjudicate it a bankrupt or insolvent or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property or shall file an answer or other pleading in any such case, proceeding or other action admitting the material allegations of any petition,

complaint or similar pleading filed against it or consenting to the relief sought therein; or any Credit Party shall take any action to authorize, or in contemplation of, any of the foregoing;

(h) any involuntary case, proceeding or other action against any Credit Party shall be commenced seeking to have an order for relief entered against it as debtor or to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, and such case, proceeding or other action (i) results in the entry of any order for relief against it, or (ii) shall remain undismissed for a period of sixty (60) days;

(i) final judgment(s) for the payment of money in excess of US\$250,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) in the aggregate shall be rendered against any Credit Party, and within thirty (30) days from the entry of such judgment shall not have been discharged or stayed pending appeal or shall not have been discharged or bonded in full within thirty (30) days from the entry of a final order of affirmance on appeal;

(j) (i) failure by any Credit Party or ERISA Affiliate to make any contributions required to be made to a U.S. Plan subject to Title IV of ERISA or Multiemployer Plan, (ii) any failure to satisfy the minimum funding standard (within the meaning of Section 412 of the Code or Section 302 of ERISA) in excess of US\$250,000 in the aggregate shall exist with respect to any U.S. Plan (whether or not waived), (iii) the present value of all benefits under all U.S. Plans subject to Title IV of ERISA (based on those assumptions used to fund such U.S. Plans) exceeds, in the aggregate, as of the last annual valuation date applicable thereto, the actuarial value of the assets of such U.S. Plans allocable to such benefits, by an amount in excess of US\$250,000, (iv) any Credit Party or ERISA Affiliate shall have been notified by the sponsor of a Multiemployer Plan that it has incurred withdrawal liability to such Multiemployer Plan, or that a Multiemployer Plan is in reorganization or is being terminated, (v) a Reportable Event with respect to a U.S. Plan shall have occurred, (vi) the withdrawal by any Credit Party or ERISA Affiliate from a U.S. Plan during a plan year in which it was a substantial employer (within the meaning of section 4001(a)(2) or 4062(e) of ERISA), (vii) the termination of a U.S. Plan, or the filing of a notice of intent to terminate a U.S. Plan under section 4041(c) of ERISA, (viii) the institution of proceedings to terminate, or the appointment of a trustee with respect to, a U.S. Plan by the PBGC, (ix) any other event or condition which could constitute grounds under section 4042(a) of ERISA for the termination of, or the appointment of a trustee to administer, any U.S. Plan, or (x) the imposition of a Lien pursuant to section 430 of the Code or section 303 of ERISA as to any Credit Party or ERISA Affiliate; provided, that with respect to items (iv) through (x), only if such event or condition would be reasonably likely to result in liability to any Credit Party in excess of US\$250,000;

(k) a contribution or premium required to be paid to or in respect of any Canadian Plan is not paid in a timely fashion in accordance with the terms thereof and all Applicable Law, or material taxes, penalties or fees are owing or exigible under any Canadian Plan beyond the date permitted for payment of same; a proceeding, action, suit or claim (other than routine claims for benefits) is commenced or instituted involving any Canadian Plan or its assets; an event with respect to any Canadian Plan which would entitle any Person (without the

consent of the applicable Credit Party) to wind-up or terminate any Canadian Plan, in whole or in part, or which could reasonably be expected to adversely affect the tax status thereof, shall occur; a going concern unfunded actuarial liability, past service unfunded liability or solvency deficiency shall exist with respect to any Canadian Plan; or an improper withdrawal or transfer of assets from any Canadian Plan shall occur;

(l) this Credit Agreement, the Copyright Security Agreement, any Copyright Security Agreement Supplement, any Trademark Security Agreement or supplement thereto, any Pledgeholder Agreement, Security Agreement, the Equity Interest Pledge Agreement, Laboratory Access Letter, any financing statements, any security document pursuant to which any Licensing Intermediary grants to the Administrative Agent, any lien, security interest, charge or other encumbrances or any Account Control Agreement (each a “Security Document”) shall, for any reason (other than a failure by the Administrative Agent to file any UCC-1 or PPSA financing statement (or Form MG01), Copyright Security Agreement or Trademark Security Agreement delivered on or prior to the Closing Date), with respect to Collateral or Pledged Collateral in excess of US\$500,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) in the aggregate, not be or shall cease to be in full force and effect or shall be declared null and void or any of the Security Documents shall not give or shall cease to give the Administrative Agent the Liens, or cease to give the Administrative Agent the rights, powers and privileges purported to be created thereby in favor of the Administrative Agent (for the benefit of the Secured Parties), superior to and prior to the rights of all third Persons (other than, except in the case of the Pledged Collateral, Specified Permitted Encumbrances) and subject to no other Liens (other than Permitted Encumbrances), or the validity or enforceability of the Guaranties under Article 9 hereof or the Liens granted, to be granted, or purported to be granted, by any of the Security Documents shall be contested by any Credit Party or any of their respective Affiliates;

(m) Change in Management shall occur;

(n) Change in Control shall occur;

(o) (i) a default shall occur and continue after the expiration of any applicable cure period therefor with respect to any License Agreement or an anticipatory breach, rejection or termination of such agreement for any reason by either a Credit Party or a Licensee shall occur if (in any such case) the effect of removing any credit in the Borrowing Base arising out of such License Agreement would result in the Facility Usage exceeding the Borrowing Base (as so reduced) and (ii) the Borrower has not prepaid the Obligations in an amount sufficient to eliminate the excess described in clause (i) above or cured such Borrowing Base deficiency within the ten (10) Business Days after the occurrence of the relevant trigger under clause (i) above, or

(p) a default shall be made and continue after the expiration of any applicable cure period therefor by a Credit Party or the Co-Financier under any provision of any document executed in connection with a Permitted Co-Financing by any Credit Party or the Administrative Agent (or with respect to which the Credit Party or the Administrative Agent is an express third party beneficiary), to the extent that Borrower has not demonstrated to the satisfaction of the Administrative Agent prior to the expiration of such cure period that it has sufficient availability

hereunder and/or liquidity to finance such defaulting party's share of the negative cost for the related Item of Product,

then, in every such event (other than an event specified in clause (g) or (h) above) and at any time thereafter during the continuance of such event, the Administrative Agent may, or if directed by the Required Lenders, shall, take any or all of the following actions, at the same or different times: (x) terminate forthwith the Commitments (subject to Section 13.1(b)(viii) hereof), and/or (y) declare the principal of and the interest on the Loans and the Notes and all other amounts payable hereunder or thereunder to be forthwith due and payable, whereupon the same shall become and be forthwith due and payable, without presentment, demand, protest, notice of acceleration or other notice of any kind, all of which are hereby expressly waived, anything in this Credit Agreement or in the Notes to the contrary notwithstanding.

If an Event of Default specified in clause (g) or (h) above shall have occurred, (i) the Commitments shall automatically terminate and the principal of, and interest on, the Loans and the Notes and all other amounts payable hereunder and thereunder shall automatically become due and payable without presentment, demand, protest, notice of acceleration or other notice of any kind, all of which are hereby expressly waived, anything in this Credit Agreement or the Notes to the contrary notwithstanding and (ii) any and all outstanding Loans and any other amounts outstanding automatically shall bear interest at a rate per annum of 2% in excess of the applicable non-default rate of interest without the need for any notice or demand otherwise contemplated in Section 2.7(a) hereof. Such remedies shall be in addition to any other remedy available to the Administrative Agent or the Secured Parties pursuant to the terms of the Fundamental Documents, pursuant to Applicable Law or otherwise.

8. GRANT OF SECURITY INTEREST; REMEDIES

8.1 Security Interests. The Borrower, as security for the due and punctual payment of the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of the Borrower whether or not post filing interest is allowed in such proceeding), and each of the other Credit Parties, as security for its obligations under Article 9 hereof, hereby grant, mortgage, pledge, assign, transfer, set over, convey and deliver to the Administrative Agent (for the benefit of the Secured Parties) and grant to the Administrative Agent (for the benefit of the Secured Parties) a first priority security interest in the Collateral (subject, other than in the case of Pledged Securities, to Specified Permitted Encumbrances).

8.2 Use of Collateral. So long as no Event of Default shall have occurred and be continuing, and subject to the various provisions of this Credit Agreement and the other Fundamental Documents, a Credit Party may use its Collateral (including amounts held in the Collection Accounts) in any lawful manner except as otherwise provided hereunder or thereunder.

8.3 Collection Accounts

(a) The Credit Parties will maintain or establish each of the Canadian Dollar Collection Account and the U.S. Dollar Collection Account (each, a "Collection Account" and together, the "Collection Accounts") maintained at the office of the Administrative Agent, and

will direct, by Notice of Assignment (or by similar instructions reasonably satisfactory to the Administrative Agent contained within an Interparty Agreement or Co-Financing Intercreditor Agreement), all Persons who become Licensees, licensees, buyers or account debtors of any Credit Party after the Closing Date (with respect to any Item of Product or otherwise) to make payments under or in connection with the License Agreements, license agreements, sales agreements or receivables either (i) directly to the Collection Account or (ii) solely in the case of foreign receivables relating to Items of Product, to a Licensing Intermediary pursuant to arrangements which meet the requirements of Section 5.22(b) hereof. Until a separate Cash Collateral Account is established, the initial Collection Account established and maintained by the Administrative Agent may also serve as the Cash Collateral Account. Each such Collection Account shall be in the name of the Borrower and be under the control (within the meaning of Article 9-104 of the UCC) of the Administrative Agent, provided that prior to the occurrence of (and following any cure or waiver of any Event of Default), the Credit Parties shall have the right to transfer any such funds to any one of any Credit Party's operating accounts so long as each such operating account is maintained at the Administrative Agent or such other financial institutions reasonably approved by the Administrative Agent and is subject to Account Control Agreement.

(b) The Credit Parties will execute such documentation as may be required by the Administrative Agent in order to effectuate the provisions of this Section 8.3 and Article 12 hereof, including an agreement with respect to the establishment and administration of the Collection Account and the Cash Collateral Account, and shall pay the fees of the Administrative Agent in connection with such accounts.

(c) In the event a Credit Party receives payment from any Person or proceeds under a letter of credit or otherwise, which payment should have been remitted directly to the Collection Account, such Credit Party shall promptly remit such payment or proceeds to the appropriate Collection Account to be applied in accordance with the terms of this Credit Agreement.

8.4 Credit Parties to Hold in Trust. Upon the occurrence and during the continuance of an Event of Default, each of the Credit Parties will, upon receipt by it of any proceeds of the Collateral, payable pursuant to any agreement or otherwise, or of any check, draft, note, trade acceptance or other instrument evidencing an obligation to pay any such sum, hold the sum or instrument in trust for the Administrative Agent (for the benefit of the Secured Parties), segregate such sum or instrument from their own assets and forthwith, without any notice, demand or other action whatsoever (all notices, demands, or other actions on the part of the Secured Parties being expressly waived), endorse, transfer and deliver any such sums or instruments or both, to the Administrative Agent to be applied to the repayment of the Obligations in accordance with the provisions of Section 8.7 hereof.

8.5 Collections, etc. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent may, in its sole discretion, in its name (on behalf of the Secured Parties) or in the name of any Credit Party or otherwise, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for, or make any commercially reasonable compromise or settlement deemed desirable with respect to, any of the Collateral, but shall not be under any obligation to do so, or the

Administrative Agent may extend the time of payment, arrange for payment in installments, or otherwise modify the terms of, or release, any of the Collateral, without thereby incurring responsibility to, or discharging or otherwise affecting any liability of, any Credit Party. The Administrative Agent will not be required to take any steps to preserve any rights against parties with prior claims on the Collateral. If any Credit Party fails to make any payment or take any action required hereunder, the Administrative Agent may make such payments and take all such actions as the Administrative Agent reasonably deems necessary to protect the Administrative Agent's (on behalf of the Secured Parties) security interests in the Collateral and/or the value thereof, and the Administrative Agent is hereby authorized (without limiting the general nature of the authority hereinabove conferred) to pay, purchase, contest or compromise any Liens that in the judgment of the Administrative Agent appear to be equal to, prior to or superior to the security interests of the Administrative Agent (on behalf of the Secured Parties) in the Collateral (other than Specified Permitted Encumbrances) and any Liens not expressly permitted by this Credit Agreement.

8.6 Possession, Sale of Collateral, etc. Upon the occurrence and during the continuance of an Event of Default, Secured Parties may enter upon the premises of any Credit Party or wherever the Collateral may be, and take possession of the Collateral, and may demand and receive such possession from any Person who has possession thereof, and the Secured Parties may take such measures as they deem necessary or proper for the care or protection thereof, including the right to remove all or any portion of the Collateral, and with or without taking such possession may sell or cause to be sold, whenever the Secured Parties shall decide, in one or more sales or parcels, at such prices as the Secured Parties may deem appropriate, and for cash or on credit or for future delivery, without assumption of any credit risk, all or any portion of the Collateral, at any broker's board or at public or private sale, without demand of performance but with ten (10) days' prior written notice to the Credit Parties of the time and place of any such public sale or sales (which notice the Credit Parties hereby agree is reasonable) and with such other notices as may be required by Applicable Law and cannot be waived, and none of the Secured Parties shall have any liability should the proceeds resulting from a private sale be less than the proceeds realizable from a public sale, and the Administrative Agent, on behalf of the Secured Parties or any other Person may be the purchaser of all or any portion of the Collateral so sold and thereafter hold the same absolutely, free (to the fullest extent permitted by Applicable Law) from any claim or right of whatever kind, including any equity of redemption, of any Credit Party, any such demand, notice, claim, right or equity being hereby expressly waived and released. At any sale or sales made pursuant to this Article 8, the Administrative Agent (on behalf of the Secured Parties) may bid for or purchase, free (to the fullest extent permitted by Applicable Law) from any claim or right of whatever kind, including any equity of redemption, of any Credit Party, any such demand, notice, claim, right or equity being hereby expressly waived and released, any part of or all of the Collateral offered for sale, and may make any payment on account thereof by using any claim for moneys then due and payable to the Administrative Agent and Lenders by any Credit Party hereunder as a credit against the purchase price. The Administrative Agent, on behalf of the Secured Parties shall in any such sale make no representations or warranties with respect to the Collateral or any part thereof, and none of the Secured Parties shall be chargeable with any of the obligations or liabilities of any Credit Party. Each Credit Party hereby agrees that (i) it will indemnify and hold the Secured Parties harmless from and against any and all claims with respect to the Collateral asserted before the taking of actual possession or control of the relevant Collateral by the

Administrative Agent pursuant to this Article 8, or arising out of any act of, or omission to act on the part of, any Person (other than the Administrative Agent or Lenders) prior to such taking of actual possession or control by the Administrative Agent (whether asserted before or after such taking of possession or control), or arising out of any act on the part of any Credit Party or its Affiliates or agents before or after the commencement of such actual possession or control by the Administrative Agent, but excluding therefrom all claims with respect to the Collateral resulting from (x) the gross negligence or willful misconduct of any of the Administrative Agent or the Lenders, as finally determined by a court of competent jurisdiction in a non-appealable decision or in an appealable decision that the party seeking indemnification does not appeal within the time required or (y) any claims with respect to the Collateral asserted against an indemnified party by a Credit Party in which such Credit Party is the prevailing party; and (ii) none of the Secured Parties shall have any liability or obligation to any Credit Party arising out of any such claim except for acts of willful misconduct or gross negligence of such Person as finally determined by a court of competent jurisdiction in a non-appealable decision or in an appealable decision that the party seeking indemnification does not appeal within the time required. Subject only to the lawful rights of third parties, any laboratory which has possession of any of the Collateral is hereby constituted and appointed by the Credit Parties as pledgeholder for the Administrative Agent (on behalf of the Secured Parties) and, upon the occurrence and during the continuation of an Event of Default, each such pledgeholder is hereby authorized (to the fullest extent permitted by Applicable Law) to sell all or any portion of the Collateral upon the order and direction of the Administrative Agent, and each Credit Party hereby waives any and all claims, for damages or otherwise, for any action taken by such pledgeholder in accordance with the terms of the UCC not otherwise waived hereunder. In any action hereunder, the Administrative Agent shall be entitled, if permitted by Applicable Law, to the appointment of a receiver without notice, to take possession of all or any portion of the Collateral and to exercise such powers as the court shall confer upon the receiver. Notwithstanding the foregoing, upon the occurrence and during the continuation of an Event of Default, the Secured Parties shall be entitled to apply, without prior notice to any of the Credit Parties, any cash or cash items constituting Collateral in the possession of the Secured Parties in the manner set forth in Section 8.7 hereof.

8.7 Application of Proceeds after Event of Default. Upon the occurrence and during the continuance of an Event of Default, the balances in the Clearing Account(s), the Collection Account(s), the Cash Collateral Account(s) and in any other account of any Credit Party with a Lender, all other income on the Collateral, and all proceeds from any sale of the Collateral pursuant hereto shall (subject, solely in the context of proceeds of an Item of Product, to any commitments made by the Administrative Agent under any Interparty Agreement to pay a portion of the cash flow derived from such Item of Product to a third Person) be applied first toward payment of the reasonable out-of-pocket costs and expenses paid or incurred by the Administrative Agent in enforcing this Credit Agreement and the other Fundamental Documents, in realizing on or protecting any Collateral and in enforcing or collecting any Obligations or any Guaranty thereof, including, without limitation, court costs and the reasonable attorney's fees and reasonable out-of-pocket expenses incurred by the Administrative Agent, and second to the indefeasible payment in full in cash of the Obligations in accordance with Section 13.2 hereof; provided, however, that, the Administrative Agent may in its discretion apply funds comprising the Collateral to take such actions or make such payments as the Administrative Agent reasonably believes is necessary or advisable in order to enhance or preserve the value of the

Collateral, including to pay the cost (i) of completing any Item of Product owned in whole or in part by any Credit Party in any stage of production, and (ii) of making delivery to the distributors of such Item of Product. Any amounts remaining after such payment in full of the Obligations shall be remitted to the appropriate Credit Party or as a court of competent jurisdiction may otherwise direct.

8.8 Power of Attorney. Upon the occurrence and during the continuance of an Event of Default which is not waived in writing by the requisite Lenders, (a) each Credit Party does hereby irrevocably make, constitute and appoint the Administrative Agent or any of its officers or designees its true and lawful attorney-in-fact with full power in the name of the Administrative Agent, such other Person or such Credit Party to receive, open and dispose of all mail addressed to any Credit Party, and to endorse any notes, checks, drafts, money orders or other evidences of payment relating to the Collateral that may come into the possession of the Administrative Agent with full power and right to cause the mail of such Persons to be transferred to the Administrative Agent's own offices or otherwise, and to do any and all other acts necessary or proper to carry out the intent of this Credit Agreement and the grant of the security interests hereunder and under the Fundamental Documents, and each Credit Party hereby ratifies and confirms all that the Administrative Agent or its designees shall properly do by virtue hereof; and (b) each Credit Party does hereby further irrevocably make, constitute and appoint the Administrative Agent or any of its officers or designees its true and lawful attorney-in-fact in the name of the Administrative Agent or any Credit Party (i) to enforce all of such Credit Party's rights under and pursuant to all agreements with respect to the Collateral, all for the sole benefit of the Administrative Agent (for the benefit of the Secured Parties) as contemplated hereby and under the other Fundamental Documents and to enter into such other agreements as may be necessary or appropriate in the good faith judgment of the Administrative Agent to complete the production, distribution or exploitation of any Item of Product which is included in the Collateral, (ii) to enter into and perform such agreements as may be necessary in order to carry out the terms, covenants and conditions of the Fundamental Documents that are required to be observed or performed by such Credit Party, (iii) to execute such other and further mortgages, pledges and assignments of the Collateral, and related instruments or agreements, as the Administrative Agent may reasonably require for the purpose of perfecting, protecting, maintaining or enforcing the security interests granted to the Administrative Agent (for the benefit of the Secured Parties) hereunder and under the other Fundamental Documents, and (iv) to do any and all other things necessary or proper to carry out the intention of this Credit Agreement and the grant of the security interests hereunder and under the other Fundamental Documents. Nothing herein contained shall be construed as requiring or obligating the Administrative Agent (or its officers, agents or designees) to make any demand, or to make any inquiry as to the nature or sufficiency of any payment received by it, or to present or file any claim or notice or take any action with respect to any of the Collateral or the money due or to become due thereunder or the property covered thereby, and no action taken or omitted to be taken by the Administrative Agent (or its officers, agents or designees) with respect to any of the Collateral shall give rise to any defense, counterclaim or setoff in favor of any Credit Party or to any claim or action against any of the Secured Parties except to the extent arising out of the willful misconduct or gross negligence of any such Secured Party. No Secured Party nor its attorneys will be liable for any acts or omissions or for any error of judgment or mistake of fact or law, except those arising out of the willful misconduct or gross negligence of such Person (as finally determined by a court of competent jurisdiction in a non-appealable decision or in an

appealable decision that such Person does not appeal within the time required). Each of the Credit Parties hereby ratifies and confirms in advance all that the Administrative Agent or its officers or designees as such attorney-in-fact shall properly do by virtue of this power of attorney. The Administrative Agent shall promptly provide the Borrower with a copy of any document executed or filed by the Administrative Agent under the power of attorney granted under this Section 8.8, but inadvertent failure to do so shall not constitute a breach hereunder.

8.9 Financing Statements, Direct Payments. Each Credit Party hereby authorizes the Administrative Agent to file UCC and PPSA financing statements (and the Form MG01's) and any amendments thereto or continuations thereof, any Copyright Security Agreement, any Copyright Security Agreement Supplement, any Trademark Security Agreement, any supplement to the Trademark Security Agreement and any other appropriate security documents or instruments and to give any notices necessary or desirable as determined by the Administrative Agent to perfect the Lien of the Administrative Agent (for the benefit of the Secured Parties) in the Collateral, in all cases without the signature of any Credit Party or to execute such items as attorney-in-fact for any Credit Party; provided, that the Administrative Agent shall provide copies of any such documents or instruments to the Borrower. Each Credit Party authorizes the Administrative Agent to use the description "all assets" or a similar description in any such UCC or PPSA financing statements (or any Form MG01). Each Credit Party further authorizes the Administrative Agent to notify, at the time that any Event of Default shall have occurred and be continuing, any account debtors that all sums payable to such Credit Party relating to the Collateral shall be paid directly to the Administrative Agent.

8.10 Further Assurances. Upon the request of the Administrative Agent, each Credit Party hereby agrees to duly and promptly execute and deliver, or cause to be duly executed and delivered, at the cost and expense of the Credit Parties, such further instruments as may be necessary or proper, in the reasonable judgment of the Administrative Agent, to carry out the provisions and purposes of this Article 8 or to perfect and preserve the Liens of the Administrative Agent (for the benefit of the Secured Parties) hereunder and under the Fundamental Documents in the Collateral or any portion thereof.

8.11 Termination and Release. The security interests granted under this Article 8 shall terminate when all the Obligations have been fully and indefeasibly paid in cash and performed and the Commitments shall have terminated (other than contingent indemnification obligations under any of the Fundamental Documents that are expressly stated to survive such payment or termination and for which no claim has been asserted by any indemnified party). Upon request by the Credit Parties (and at the sole expense of the Credit Parties) after such termination, the Administrative Agent will promptly take all reasonable action and do all things reasonably necessary, including authorizing UCC or PPSA termination statements (or Form MG01 terminations) and executing Pledgeholder Agreement and Laboratory Access Letter terminations, termination letters to account debtors, terminations of Account Control Agreements and Copyright Security Agreements and trademark security agreement releases, to terminate all security interests granted to the Administrative Agent (for the benefit of the Secured Parties) hereunder, and to reconvey all of the Credit Parties' rights in all items of Collateral, all without recourse upon or warranty by the Administrative Agent.

8.12 Remedies Not Exclusive. The remedies conferred upon or reserved to the Administrative Agent in this Article 8 are intended to be in addition to, and not in limitation of, any other remedy or remedies available to the Administrative Agent. Without limiting the generality of the foregoing, the Secured Parties shall have all rights and remedies of a secured creditor under Article 9 of the UCC and under any other Applicable Law.

8.13 Quiet Enjoyment. The Secured Parties acknowledge and agree that their security interest hereunder will be subject to the rights of Quiet Enjoyment (as defined below) of the Licensees (which are not Affiliates of any Credit Party) under License Agreements, whether existing on the date hereof or hereafter executed. For the purpose hereof, "Quiet Enjoyment" shall mean in connection with the rights of a Licensee (which is not an Affiliate of any Credit Party) under a License Agreement, the Administrative Agent's and each other Secured Parties' agreement that their rights under this Credit Agreement and the other Fundamental Documents and in the Collateral are subject to the rights of such Licensee to distribute, exhibit and/or to exploit the Items of Product licensed to it under such License Agreement, and to receive prints or tapes and other delivery items or have access to preprint material or master tapes and other items to which such Licensee is entitled in connection therewith and that even if the Lenders shall become the owner of the Collateral in case of an Event of Default, the Lenders' ownership rights shall be subject to the rights of such Licensee under such agreement; provided, however, that such Licensee shall not be in default of any material obligations (including payment obligations) under the relevant License Agreement. The Administrative Agent agrees that, upon the reasonable request of a Credit Party, it will provide written confirmation (in form reasonably acceptable to the Administrative Agent) of such rights of Quiet Enjoyment to Licensees under the License Agreements. None of the foregoing constitutes an agreement by the Administrative Agent or the Lenders to the granting of any security interest to any Person under any License Agreement.

8.14 Continuation and Reinstatement. The security interest granted hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment or any part thereof of any Obligation is rescinded or must otherwise be restored by the Administrative Agent or the Lenders upon the bankruptcy or reorganization of any Credit Party or otherwise.

9. GUARANTY OF GUARANTORS

9.1 Guaranty.

(a) Each Guarantor unconditionally and irrevocably guarantees to the Secured Parties, as and for such Guarantor's own debt, until final and indefeasible payment thereof has been made, the due and punctual payment by, and performance of, the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of the obligor whether or not post filing interest is allowed in such proceeding). Each Guarantor further agrees that the Obligations may be increased, extended or renewed, in whole or in part, without notice or further assent from it (except as may be otherwise required herein), and it will remain bound upon this Guaranty notwithstanding any increase, extension or renewal of any Obligation. To the maximum extent permitted by law, each Guarantor hereby waives and agrees not to assert any right such Guarantor has under Section 2815 of the California Civil Code, or otherwise, to revoke this Guaranty as to future indebtedness.

(b) Each Guarantor absolutely, unconditionally, knowingly, and expressly waives:

(i) (1) notice of acceptance hereof; (2) notice of any Loans or other financial accommodations made or extended under the Fundamental Documents or the creation or existence of any Obligations; (3) notice of the amount of the Obligations, subject, however, to such Guarantor's right to make inquiry of the Administrative Agent to ascertain the amount of the Obligations at any reasonable time; (4) notice of any adverse change in the financial condition of the Borrower or any other Credit Party or of any other fact that might increase such Guarantor's risk hereunder; (5) notice of presentment for payment, demand, protest, and notice thereof as to any instruments among the Fundamental Documents; (6) notice of any Default or Event of Default; and (7) all other notices (except if such notice is specifically required to be given to such Guarantor hereunder or under the Fundamental Documents) and demands to which such Guarantor might otherwise be entitled;

(ii) its right, under Sections 2845 or 2850 of the California Civil Code, or otherwise, to require any of the Secured Parties, to institute suit against, or to exhaust any rights and remedies which any of the Secured Parties has or may have against, the Borrower, any other Credit Party or any other Person, or against any collateral for the Obligations provided by the Borrower, any other Credit Party or any other Person. In this regard, such Guarantor is bound to the payment of all Obligations, whether now existing or hereafter accruing, as fully as if such Obligations were directly owing to the Secured Parties by such Guarantor. Such Guarantor further waives any defense arising by reason of any disability or other defense (other than the defense that the Obligations shall have been fully and finally performed and indefeasibly paid) of the Borrower, any other Credit Party or any other Person or by reason of the cessation from any cause whatsoever of the liability of the Borrower, any other Credit Party or any other Person in respect thereof;

(iii) (1) any rights to assert against any of the Secured Parties any defense (legal or equitable), set-off, counterclaim, or claim which such Guarantor may now or at any time hereafter have against the Borrower, any other Credit Party or any other Person liable to any of the Secured Parties in connection with the Facility; (2) any defense, set-off, counterclaim, or claim, of any kind or nature, arising directly or indirectly from the present or future lack of perfection, sufficiency, validity, or enforceability of the Obligations or any security therefor; (3) any defense such Guarantor has to performance hereunder, and any right such Guarantor has to be exonerated, provided by Sections 2819, 2822, or 2825 of the California Civil Code, or otherwise, arising by reason of: the impairment or suspension of any Secured Party's rights or remedies against the Borrower, any other Credit Party or any other Person; the alteration by any Secured Party of the Obligations; any discharge of the Obligations by operation of law as a result of any Secured Party's intervention or omission; or the acceptance by any Secured Party of anything in partial satisfaction of the Obligations; (4) the benefit of any statute of limitations affecting such Guarantor's liability hereunder or the enforcement thereof, and any act which shall defer or delay the operation of any statute of limitations applicable to the Obligations shall similarly operate to defer or delay the operation of such statute of limitations applicable to such Guarantor's liability hereunder;

(iv) pursuant to Section 2856 of the California Civil Code, any defense arising by reason of or deriving from (i) any claim or defense based upon an election of remedies by any of the Secured Parties including any defense based upon an election of remedies by any of the Secured Parties under the provisions of Sections 580a, 580b, 580d, and 726 of the California Code of Civil Procedure or any similar law of California or any other jurisdiction, even though that election of remedies, such as a nonjudicial foreclosure with respect to security for a guaranteed obligation, has destroyed such Guarantor's rights of subrogation and reimbursement against the Borrower or any other Credit Party by the operation of Section 580(d) of the California Code of Civil Procedure or otherwise; or (ii) any election by any of the Secured Parties under the Bankruptcy Code Section 1111(b) to limit the amount of, or any collateral securing, its claim against the Borrower, any other Credit Party or any other Person;

(v) (1) any right of subrogation such Guarantor has or may have as against the Borrower or any other Credit Party with respect to the Obligations; (2) any right to proceed against the Borrower or any other Credit Party, now or hereafter, for contribution, indemnity, reimbursement, or any other suretyship rights and claims, whether direct or indirect, liquidated or contingent, whether arising under express or implied contract or by operation of law, which such Guarantor may now have or hereafter have as against the Borrower or any other Credit Party with respect to the Obligations; and (3) any right to proceed or seek recourse against or with respect to any property or asset of the Borrower or any other Credit Party; and

(vi) WITHOUT LIMITING THE GENERALITY OF ANY OTHER WAIVER OR OTHER PROVISION SET FORTH IN THIS ARTICLE 9, EACH GUARANTOR HEREBY ABSOLUTELY, KNOWINGLY, UNCONDITIONALLY, AND EXPRESSLY WAIVES AND AGREES NOT TO ASSERT ANY AND ALL BENEFITS OR DEFENSES ARISING DIRECTLY OR INDIRECTLY UNDER ANY ONE OR MORE OF CALIFORNIA CIVIL CODE SECTIONS 2799, 2808, 2809, 2810, 2815, 2819, 2820, 2821, 2822, 2825, 2839, 2845, 2848, 2849, AND 2850, CALIFORNIA CODE OF CIVIL PROCEDURE SECTIONS 580a, 580b, 580c, 580d, AND 726, CALIFORNIA UCC SECTIONS 3116, 3118, 3119, 3419, 3605, 9610, 9611, 9615, 9617, 9618, 9624, 9625, AND 9627, AND CHAPTER 2 OF TITLE 14 OF PART 4 OF DIVISION 3 OF THE CALIFORNIA CIVIL CODE

(c) Each Guarantor further agrees that this Guaranty is a continuing guaranty, shall secure the Obligations and any ultimate balance thereof, notwithstanding that the Borrower or other Persons may from time to time satisfy the Obligations in whole or in part and thereafter incur further Obligations, and that this Guaranty constitutes a guaranty of performance and of payment when due and not just of collection, and waives any right to require that any resort be had by any of the Secured Parties to any security held for payment of the Obligations or to any balance of any deposit, account or credit on the books of any of the Secured Parties in favor of the Borrower or any Guarantor, or to any other Person.

(d) Each Guarantor hereby expressly assumes all responsibilities to remain informed of the financial condition of the Borrower, Guarantors and any other guarantors of the Obligations and any circumstances affecting the Collateral (including the Pledged Securities) or the ability of the Borrower or any Guarantor to perform under this Credit Agreement.

(e) Each Guarantor's obligations under the Guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Obligations, the Notes or any other instrument evidencing any Obligations, or by the existence, validity, enforceability, perfection, or extent of any collateral therefor or by any other circumstance relating to the Obligations which might otherwise constitute a defense to this Guaranty. The Secured Parties make no representation or warranty with respect to any such circumstances and have no duty or responsibility whatsoever to any Guarantor in respect to the management and maintenance of the Obligations or any collateral security for the Obligations.

(f) This Guaranty is a primary and original obligation of each Guarantor, is not merely the creation of a surety relationship, and is an absolute, unconditional, and continuing guaranty of payment and performance which shall remain in full force and effect without respect to future changes in conditions, including any change of law or any invalidity or irregularity with respect to the Fundamental Documents. Each Guarantor is jointly and severally liable with any other guarantor of the Obligations, to the Secured Parties, that the obligations of each Guarantor hereunder are independent of the obligations of the Credit Parties or any other guarantor, and that a separate action may be brought against each Guarantor whether such action is brought against the Borrower, any other Credit Party or any other guarantor or whether the Borrower, any other Credit Party or any such other guarantor is joined in such action. Each Guarantor's liability hereunder shall be immediate and shall not be contingent upon the exercise or enforcement by any of the Secured Parties of whatever remedies it may have against the Borrower, any other Credit Party or any other guarantor, or the enforcement of any lien or realization upon any security the Secured Parties may at any time possess. Any release which may be given by the Secured Parties solely to the Borrower, any other Credit Party or any other guarantor (and not to such Guarantor) shall not release Guarantor. The Secured Parties are not obligated to marshal any assets of the Borrower, any other Credit Party or any other guarantor in favor of any Guarantor, or against or in payment of any or all of the Obligations.

(g) Each of the Secured Parties shall have all of the rights to seek recourse against each Guarantor to the fullest extent provided for herein, and no election by any Secured Party to proceed in one form of action or proceeding, or against any party, or on any obligation, shall constitute a waiver of such Secured Party's right to proceed in any other form of action or proceeding or against other parties unless such Secured Party has expressly waived such right in writing. Specifically, but without limiting the generality of the foregoing, no action or proceeding by any Secured Party under any document or instrument evidencing the Obligations shall serve to diminish the liability of any Guarantor under this Guaranty except to the extent that the Secured Parties finally and unconditionally shall have realized indefeasible payment of the Obligations by such action or proceeding.

9.2 No Impairment of Guaranty, etc. The obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason (except payment and performance in full of the Obligations), including, without limitation, any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense or set-off, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Guarantor hereunder shall not be discharged or impaired or otherwise affected by the failure of the Secured Parties to assert any claim or

demand or to enforce any remedy under this Credit Agreement or any other agreement, by any waiver or modification of any provision hereof or thereof, by any default, failure or delay, willful or otherwise, in the performance of the Obligations, or by any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of such Guarantor or would otherwise operate as a discharge of such Guarantor as a matter of law, unless and until the Obligations are paid in full in cash and the Commitments have terminated.

9.3 Releases. Without notice to or by any Guarantor, and without affecting or impairing the obligations of any Guarantor hereunder, each Secured Party may, by action or inaction:

(a) compromise, settle, extend the duration or the time for the payment of, or discharge the performance of, or may refuse to or otherwise not enforce this Guaranty, the other Fundamental Documents, or any part thereof, with respect to the Borrower, any other Credit Party or any other Person;

(b) release the Borrower, any other Credit Party or any other Person or grant other indulgences to the Borrower, any other Credit Party or any other Person in respect thereof;

(c) amend or modify in any manner and at any time (or from time to time) any of the Fundamental Documents; or

(d) release or substitute any other guarantor, if any, of the Obligations, or enforce, exchange, release, or waive any security for the Obligations or any other guaranty of the Obligations, or any portion thereof.

9.4 Continuation and Reinstatement, Cumulative Remedies, etc.

(a) Each Guarantor further agrees that its guaranty hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by any of the Secured Parties upon the bankruptcy or reorganization of the Borrower or a Guarantor, or otherwise. If, for any reason, any portion of such payments to the Secured Parties is set aside or restored, whether voluntarily or involuntarily, after the making thereof, then the obligation intended to be satisfied thereby shall be revived and continued in full force and effect as if said payment or payments had not been made, and each Guarantor shall be liable for the full amount any of the Secured Parties is required to repay plus any and all costs and expenses (including attorneys' fees and expenses and attorneys' fees and expenses incurred pursuant to proceedings arising under the Bankruptcy Code) paid by any of the Secured Parties in connection therewith.

(b) In furtherance of the provisions of this Article 9, and not in limitation of any other right which the Secured Parties may have at law or in equity against the Borrower, a Guarantor or any other Person by virtue hereof, upon failure of the Borrower to pay any Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice or otherwise, each Guarantor hereby promises to and will, upon receipt of written demand by the Administrative Agent on behalf of itself and/or any of the Secured Parties, forthwith pay or cause to be paid to the Administrative Agent for the benefit of itself and/or the Secured Parties

(as applicable) in cash an amount equal to the unpaid amount of such unpaid Obligations with interest thereon from the due date at a rate of interest equal to the rate specified in Section 2.9(a) hereof, and thereupon the Administrative Agent shall assign such Obligation, together with all security interests, if any, then held by the Administrative Agent in respect of such Obligation, to the Guarantor or Guarantors making such payment; such assignment to be subordinate and junior to the rights of the Administrative Agent (on behalf of the Secured Parties) with regard to amounts payable by the Borrower in connection with the remaining unpaid Obligations and to be pro tanto to the extent to which the Obligation in question was discharged by the Guarantor making such payments.

(c) All rights of each Guarantor against the Borrower, arising as a result of the payment by such Guarantor of any sums to the Administrative Agent for the benefit of the Secured Parties or directly to the Lenders hereunder by way of right of subrogation or otherwise, shall in all respects be subordinated and junior in right of payment to, and shall not be exercised by such Guarantor until and unless, the indefeasible payment in full in cash of all the Obligations and the termination of the Commitments. If any amount shall be paid to such Guarantor for the account of the Borrower (and such payment is not explicitly permitted to be made to such Guarantor under any provision of any Fundamental Document (including Section 6.5 hereof), then such amount shall be held in trust for the benefit of the Administrative Agent, segregated from such Guarantor's own assets, and shall forthwith be paid to the Administrative Agent (on behalf of the Secured Parties) to be credited and applied to the Obligations, whether matured or unmatured.

(d) No remedy under this Guaranty or under any Fundamental Document is intended to be exclusive of any other remedy, but each and every remedy shall be cumulative and in addition to any and every other remedy given hereunder or under any Fundamental Document, and those provided by law or in equity. No delay or omission by any Secured Party to exercise any right under this Guaranty shall impair any such right nor be construed to be a waiver thereof. No failure on the part of any Secured Party to exercise, and no delay in exercising, any right hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right.

9.5 Limitation on Guaranteed Amount, etc. Notwithstanding any other provision of this Article 9, the amount guaranteed by each Guarantor hereunder shall be limited to the extent, if any, required so that its obligations under this Article 9 shall not be subject to avoidance under Section 548 of the Bankruptcy Code or to being set aside or annulled under any Applicable Law relating to fraud on creditors. In determining the limitations, if any, on the amount of any Guarantor's obligations hereunder pursuant to the preceding sentence, it is the intention of the parties hereto that any rights of subrogation or contribution which such Guarantor may have under this Article 9, any other agreement or Applicable Law shall be taken into account.

9.6 Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Credit Party to honor all of its obligations under this Guaranty in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 9.6 for the maximum amount of such liability that can be

hereby incurred without rendering its obligations under this Section 9.6 or otherwise under this Guaranty voidable under Applicable Law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section 9.6 shall remain in full force and effect until a discharge of its Guaranty hereunder. Each Qualified ECP Guarantor intends that this Section 9.6 constitutes, and this Section 9.6 shall be deemed to constitute, a “keepwell, support, or other agreement” for the benefit of each other Credit Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act

10. PLEDGE

10.1 Pledge. Each Pledgor, as security for the due and punctual payment of the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of the Borrower whether or not post filing interest is allowed in such proceeding) in the case of the Borrower, and as security for its obligations hereunder in the case of a Pledgor other than the Borrower, hereby grants, pledges, hypothecates, assigns, transfers, sets over, conveys and delivers unto the Administrative Agent (for the benefit of the Secured Parties) a first priority security interest in all Pledged Collateral now owned or hereafter acquired by it. On or prior to the Closing Date, the Pledgors shall deliver to the Administrative Agent the definitive instruments (if any) representing all Pledged Securities, accompanied by undated stock powers (or any comparable documents for non-corporate entities to the extent certificated), duly endorsed or executed in blank by the appropriate Pledgor, and such other instruments or documents relating thereto as the Administrative Agent or its counsel shall reasonably request. The initial Pledged Securities are listed on Schedule 10.1.

10.2 Covenant. Each Pledgor covenants that as the owner of Equity Interests in each of its respective Subsidiaries it will not take any action to allow any additional shares of common stock, preferred stock or other Equity Interests of any of such Subsidiaries or any securities convertible or exchangeable into common or preferred stock or other Equity Interests of such Subsidiaries to be issued, or grant any options or warrants, unless all of such securities are pledged to the Administrative Agent (for the benefit of the Secured Parties) as security for the Obligations and, if applicable, such Pledgor’s obligations under Article 9 hereof.

10.3 Registration in Nominee Name; Denominations. The Administrative Agent shall have the right (in its sole and absolute discretion) to hold the certificates representing any Pledged Securities (a) in its own name (on behalf of the Secured Parties) or in the name of its nominee, or (b) in the name of the appropriate Pledgor, endorsed or assigned in blank or in favor of the Administrative Agent. The Administrative Agent shall have the right to exchange the certificates representing any of the Pledged Securities for certificates of smaller or larger denominations for any purpose consistent with this Credit Agreement.

10.4 Voting Rights; Dividends; etc.

(a) The appropriate Pledgor shall be entitled to exercise any and all voting and/or consensual rights and powers accruing to an owner of the Pledged Securities being pledged by it hereunder or any part thereof for any purpose not inconsistent with the terms hereof, at all times, except as expressly provided in Section 10.4(c) below.

(b) All dividends or distributions of any kind whatsoever (other than cash dividends or cash distributions paid while no Event of Default is continuing) received by a Pledgor with respect to any Pledged Securities, whether resulting from a subdivision, combination, or reclassification of the outstanding capital stock or Equity Interests of the issuer or received in exchange for Pledged Securities or any part thereof or as a result of any merger, consolidation, acquisition, or other exchange of assets to which the issuer may be a party, or otherwise, shall be and become part of the Pledged Securities pledged hereunder and shall immediately be delivered to the Administrative Agent to be held subject to the terms hereof. All dividends and distributions with respect to any Pledged Securities which are received by a Pledgor contrary to the provisions of this Section 10.4(b) shall be received in trust for the benefit of the Secured Parties, segregated from such Pledgor's own assets, and shall be delivered to the Administrative Agent.

(c) Upon the occurrence and during the continuance of an Event of Default and notice from the Administrative Agent of the transfer of such rights to the Administrative Agent, all rights of such Pledgor (i) to exercise the voting and/or consensual rights and powers which it is entitled to exercise pursuant to this Section 10.4, and (ii) to receive and retain cash dividends and cash distributions with respect to the Pledged Securities shall cease, and all such rights shall thereupon become vested in the Administrative Agent, which shall have the sole and exclusive right and authority to exercise such voting and/or consensual rights with respect to any Pledged Securities and receive such cash dividends and cash distributions with respect to any Pledged Securities until such time as such Event of Default has been cured or waived.

(d) Notwithstanding anything to the contrary contained in any shareholders agreement, limited partnership agreement, limited liability company agreement or operating agreement of any Person whose securities constitute Pledged Securities providing that any such Pledged Securities may only be transferred with the consent of a manager, member, partner, shareholder, corporation director or otherwise, each Pledgor hereby (i) acknowledges its consent to the security interest that is being implemented via this Article 10 in the Pledged Securities owned by such Pledgor (or, to the extent such Pledgor's consent is so required, the Pledged Securities owned by any other Pledgor) and (ii) consents to any transfer of the relevant Pledged Securities resulting from any sale, transfer or other disposition of such Pledged Securities resulting from a foreclosure upon or other enforcement action following an Event of Default in accordance with the provisions of this Credit Agreement. In connection with any such sale, transfer or other disposition, the purchaser or assignee shall be admitted as a manager, member, partner, shareholder, corporation director or otherwise (as appropriate) and shall have all of the rights and powers of the Pledgor that previously owned such Pledged Securities without the requirement of any further consent from such Pledgor.

(e) So long as no Event of Default shall have occurred and be continuing, any cash dividends or cash distributions received by a Credit Party in accordance with the terms hereof may be used for any purpose permitted hereunder.

10.5 Remedies Upon Default. If an Event of Default shall have occurred and be continuing, the Administrative Agent (on behalf of the Secured Parties), may sell the Pledged Collateral, or any part thereof, at public or private sale or at any broker's board or on any securities exchange, for cash, upon credit or for future delivery as the Administrative Agent shall

deem appropriate subject to the terms hereof or as otherwise provided in the UCC, PPSA, or otherwise. The Administrative Agent shall be authorized at any such sale (if the Administrative Agent deems it advisable to do so) to restrict to the full extent permitted by Applicable Law the prospective bidders or purchasers to Persons who will represent and agree that they are purchasing the Pledged Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale, the Administrative Agent shall have the right to assign, transfer, and deliver to the purchaser or purchasers thereof the Pledged Collateral so sold. Each such purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of any Pledgor. The Administrative Agent shall give the Pledgors ten (10) days' prior written notice of any such public or private sale, or sale at any broker's board or on any such securities exchange, or of any other disposition of the Pledged Collateral. Such notice, in the case of public sale, shall state the time and place for such sale and, in the case of sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which the Pledged Collateral, or portion thereof, will first be offered for sale at such board or exchange. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Administrative Agent may fix and shall state in the notice of such sale. At any such sale, the Pledged Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Administrative Agent may (in its sole and absolute discretion) determine. The Administrative Agent shall not be obligated to make any sale of the Pledged Collateral if it shall determine not to do so, regardless of the fact that notice of sale of the Pledged Collateral may have been given. The Administrative Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case the sale of all or any part of the Pledged Collateral is made on credit or for future delivery, the Pledged Collateral so sold shall be retained by the Administrative Agent until the sale price is paid by the purchaser or purchasers thereof, but the Administrative Agent shall not incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Pledged Collateral so sold and, in case of any such failure, such Pledged Collateral may be sold again upon like notice. At any sale or sales made pursuant to this Section 10.5, the Administrative Agent (on behalf of the Secured Parties) may bid for or purchase, free from any claim or right of whatever kind, including any equity of redemption, of the Pledgors, any such demand, notice, claim, right or equity being hereby expressly waived and released, any or all of the Pledged Collateral offered for sale, and may make any payment on the account thereof by using any claim for moneys then due and payable to the Administrative Agent or any other consenting Secured Party by any Credit Party as a credit against the purchase price; and the Administrative Agent, upon compliance with the terms of sale, may hold, retain and dispose of the Pledged Collateral without further accountability therefor to any Pledgor or any third party (other than the Secured Parties). The Administrative Agent shall in any such sale make no representations or warranties with respect to the Pledged Collateral or any part thereof, and shall not be chargeable with any of the obligations or liabilities of the Pledgors with respect thereto. Each Pledgor hereby agrees that (i) it will indemnify and hold the Secured Parties harmless from and against any and all claims with respect to the Pledged Collateral asserted before the taking of actual possession or control of the Pledged Collateral by the Administrative Agent pursuant to this Credit Agreement, or arising out of any act of, or omission to act on the part of, any Person prior to such taking of actual possession or

control by the Administrative Agent (whether asserted before or after such taking of possession or control), or arising out of any act on the part of any Pledgor, its agents or Affiliates before or after the commencement of such actual possession or control by the Administrative Agent, but excluding therefrom all claims with respect to the Pledged Collateral resulting from (x) the gross negligence or willful misconduct of any of the Administrative Agent or the Lenders, as finally determined by a court of competent jurisdiction in a non-appealable decision or an appealable decision that has not been appealed within the time period required or (y) any claims with respect to the Pledged Collateral asserted against an indemnified party by a Credit Party in which such Credit Party is the prevailing party, and (ii) the Secured Parties shall have no liability or obligation arising out of any such claim except for acts of willful misconduct or gross negligence of such Person, as finally determined by a court of competent jurisdiction in a non-appealable decision or an appealable decision that has not been appealed within the time period required. As an alternative to exercising the power of sale herein conferred upon it, the Administrative Agent may proceed by a suit or suits at law or in equity to foreclose upon the Pledged Collateral under this Credit Agreement and to sell the Pledged Securities, or any portion thereof, pursuant to a judgment or decree of a court or courts having competent jurisdiction.

10.6 Application of Proceeds of Sale and Cash. The proceeds of sale of the Pledged Collateral sold pursuant to Section 10.5 hereof shall be applied by the Administrative Agent (on behalf of the Secured Parties) as follows:

(i) first, to the payment of all reasonable out-of-pocket costs and expenses paid or incurred by the Administrative Agent in connection with such sale, including, without limitation, all court costs and the fees and expenses of counsel for the Administrative Agent in connection therewith, and the payment of all reasonable out-of-pocket costs and expenses paid or incurred by the Administrative Agent in enforcing this Credit Agreement or in any other Fundamental Document, in realizing or protecting any Collateral and in enforcing or collecting any Obligations or any guaranty thereof, including, without limitation, court costs and the attorney's fees and expenses incurred by the Administrative Agent in connection therewith; and

(ii) then, to the payment in full of the Obligations in accordance with Section 13.2 hereof;

provided, however, that the Administrative Agent may in its discretion apply funds comprising the proceeds of sale of the Pledged Securities to take such actions or make such payments as the Administrative Agent reasonably believes is necessary or advisable in order to enhance or preserve the value of the Collateral, including to pay the cost (i) of completing any Item of Product owned in whole or in part by any Credit Party in any stage of production, and (ii) of making delivery to the distributors of such Item of Product. Any amounts remaining after such payment in full shall be remitted to the appropriate Pledgor, or as a court of competent jurisdiction may otherwise direct.

10.7 Securities Act, etc. In view of the position of the Pledgor in relation to the Pledged Securities, or because of other present or future circumstances, a question may arise under (i) the Securities Act of 1933, as amended, as now or hereafter in effect, or any similar statute hereafter enacted analogous in purpose or effect (such Act and any such similar statute as

from time to time in effect, or (ii) the Securities Act (Ontario) as amended, as now or hereafter in effect, or any similar statute hereafter enacted analogous in purpose or effect (such Act and any such similar statute as from time to time in effect, with respect to any disposition of the Pledged Securities permitted hereunder (the statutes reference in (i) and (ii) of this Section 10.7 and any applicable securities laws of other provinces, territories and other foreign jurisdictions are hereinafter called the “Securities Laws”), with respect to any disposition of the Pledged Securities permitted hereunder. Each Pledgor understands that compliance with the Securities Laws may very strictly limit the course of conduct of the Administrative Agent if the Administrative Agent were to attempt to dispose of all or any part of the Pledged Securities, and may also limit the extent to which or the manner in which any subsequent transferee of any Pledged Securities may dispose of the same. Similarly, there may be other legal restrictions or limitations affecting the Administrative Agent in any attempt to dispose of all or any part of the Pledged Securities under applicable Blue Sky or other state securities laws, or similar laws analogous in purpose or effect. Under Applicable Law, in the absence of an agreement to the contrary, the Administrative Agent may perhaps be held to have certain general duties and obligations to a Pledgor to make some effort towards obtaining a fair price even though the Obligations may be discharged or reduced by the proceeds of a sale at a lesser price. Each Pledgor waives to the fullest extent permitted by Applicable Law any such general duty or obligation to it, and the Pledgors and/or the Credit Parties will not attempt to hold the Administrative Agent responsible for selling all or any part of the Pledged Securities at an inadequate price, even if the Administrative Agent shall accept the first offer received or does not approach more than one possible purchaser. Without limiting the generality of the foregoing, the provisions of this Section 10.7 would apply if, for example, the Administrative Agent were to place all or any part of the Pledged Securities for private placement by an investment banking firm, or if such investment banking firm purchased all or any part of the Pledged Securities for its own account, or if the Administrative Agent placed all or any part of the Pledged Securities privately with a purchaser or purchasers.

10.8 Continuation and Reinstatement. Each Pledgor further agrees that its pledge hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by any Secured Party upon the bankruptcy or reorganization of any Pledgor or otherwise. If, for any reason, any portion of such payments to the Secured Parties is set aside or restored, whether voluntarily or involuntarily, after the making thereof, then the obligation intended to be satisfied thereby shall be revived and continued in full force and effect as if said payment or payments had not been made, and the Obligations secured by the Liens granted hereunder shall include the full amount any of the Secured Parties is required to repay plus any and all costs and expenses (including reasonable attorneys’ fees and expenses and reasonable attorneys’ fees and expenses incurred pursuant to proceedings arising under the Bankruptcy Code) paid by any of the Secured Parties in connection therewith.

10.9 Termination. The pledge referenced herein shall terminate when all of the Obligations shall have been fully and indefeasibly paid in cash and performed and the Commitments shall have terminated (other than contingent indemnification obligations under any of the Fundamental Documents that are expressly stated to survive such payment or termination and for which no claim has been asserted by any indemnified party), at which time the Administrative Agent (at the sole expense of the Pledgors) shall promptly assign and deliver

to the appropriate Pledgor, or to such Person or Persons as such Pledgor shall designate, against receipt, such of the Pledged Securities (if any) as shall not have been sold or otherwise applied by the Administrative Agent pursuant to the terms hereof and shall still be held by it hereunder, together with appropriate instruments of reassignment and release. Any such reassignment shall be free and clear of all Liens, arising by, under or through the Administrative Agent but shall otherwise be without recourse upon or warranty by the Administrative Agent and at the expense of the Pledgors.

11. RESERVED

11.1 Reserved.

12. CASH COLLATERAL

12.1 Cash Collateral Accounts. On or prior to the Closing Date, there shall be established with the Administrative Agent a collateral account or accounts in the name of the Borrower (the "U.S. Dollar Cash Collateral Account"), into which the appropriate Credit Parties shall from time to time deposit U.S. Dollars and (b) with the Administrative Agent, a collateral account in the name of the Canadian Borrower (the "Canadian Dollar Cash Collateral Account"; and together with the U.S. Dollar Cash Collateral Account, collectively the "Cash Collateral Accounts" and each individually a "Cash Collateral Account"), into which the appropriate Credit Parties shall from time to time deposit Canadian Dollars. The Cash Collateral Accounts shall be under the name of the Borrower but under the control of the Administrative Agent.

12.2 Investment of Funds.

(a) The Administrative Agent is hereby authorized and directed to invest and reinvest the funds from time to time transferred or deposited into the Cash Collateral Accounts, so long as no Event of Default has occurred and is continuing, on the instructions of the Borrower (provided, that any such instructions given orally shall be confirmed promptly in writing) or, if the Borrower shall fail to give such instructions upon delivery of any such funds, in the sole discretion of the Administrative Agent, provided, that in no event may the Borrower give instructions to the Administrative Agent to, or may the Administrative Agent in its discretion, invest or reinvest funds in the Cash Collateral Accounts in other than Cash Equivalents.

(b) Any net income or gain on the investment of funds from time to time held in a Cash Collateral Account shall be promptly reinvested by the Administrative Agent as a part of such Cash Collateral Account; and any net loss on any such investment shall be charged against such Cash Collateral Account.

(c) None of the Administrative Agent or the Lenders shall be a trustee for any Credit Party, or shall have any obligations or responsibilities, or shall be liable for anything done or not done, in connection with the Cash Collateral Accounts except as expressly provided herein. The Secured Parties shall not have any obligation or responsibility and shall not be liable in any way for any investment decision made in accordance with this Section 12.2 or for any decrease in the value of the investments held in the Cash Collateral Accounts except to the extent resulting from gross negligence or willful misconduct as finally determined by a court of

competent jurisdiction in a non-appealable decision or an appealable decision that has not actually been appealed within the time period required.

12.3 Grant of Security Interest. For value received and to induce the Lenders to make Loans to the Borrower as provided for in this Credit Agreement, as security for the payment of all of the Obligations, each of the Credit Parties hereby assigns to the Administrative Agent (for the benefit of the Secured Parties and grants to the Administrative Agent (for the benefit of the Secured Parties), a first and prior Lien upon all of such Credit Party's rights in and to the Cash Collateral Accounts, all cash, Cash Equivalents and other documents, instruments and securities from time to time held therein, and all rights pertaining to investments of funds in the Cash Collateral Accounts and all products and proceeds of any of the foregoing. All cash, Cash Equivalents and other documents, instruments and securities from time to time on deposit in the Cash Collateral Accounts, and all rights pertaining to investments of funds in the Cash Collateral Accounts shall immediately and without any need for any further action on the part of any of the Credit Parties or any of the Secured Parties, become subject to the Lien set forth in this Section 12.3, be deemed Collateral for all purposes hereof and be subject to the provisions of this Credit Agreement.

12.4 Remedies. At any time during the continuation of an Event of Default, the Administrative Agent may sell any documents, instruments and securities held in the Cash Collateral Accounts and may immediately apply the proceeds thereof and any other cash held in the Cash Collateral Accounts in accordance with Section 8.7 hereof.

13. THE ADMINISTRATIVE AGENT

13.1 Administration by the Administrative Agent

(a) The general administration of the Fundamental Documents and any other documents contemplated by this Credit Agreement or any other Fundamental Document shall be by the Administrative Agent or its designees. Except as otherwise expressly provided herein, each of the Lenders hereby irrevocably authorizes the Administrative Agent, at its discretion, to take or refrain from taking such actions as agent on its behalf and to exercise or refrain from exercising such powers under the Fundamental Documents, the Notes and any other documents contemplated by this Credit Agreement or any other Fundamental Document as are expressly delegated by the terms hereof or thereof, as appropriate, together with all powers reasonably incidental thereto. The Administrative Agent shall have no duties or responsibilities except as set forth in the Fundamental Documents.

(b) The Lenders hereby authorize the Administrative Agent (in its sole discretion):

(i) in connection with the sale or other disposition of any asset included in the Collateral, in each case to the extent undertaken in accordance with the terms of this Credit Agreement, to release a Lien granted to the Administrative Agent (for the benefit of the Secured Parties) on such asset or Pledged Collateral and/or to release any Pledgor (and any Guarantor) from its obligations hereunder;

(ii) to determine that the cost to the Borrower or another Credit Party is disproportionate to the benefit to be realized by the Secured Parties by the Administrative Agent perfecting a Lien in a given asset or group of assets included in the Collateral and that the Borrower or other Credit Party should not be required to perfect such Lien in favor of the Administrative Agent (for the benefit of the Secured Parties); provided, that the Administrative Agent shall not decline to perfect a Lien under this Section 13.1(b)(ii) with respect to any individual asset which has an anticipated value (as determined by the Administrative Agent in its reasonable discretion) in excess of US\$500,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof);

(iii) to appoint subagents to be the holder of record of a Lien to be granted to the Administrative Agent (for the benefit of the Secured Parties);

(iv) to confirm in writing the right of Quiet Enjoyment of certain third Persons pursuant to the terms of Section 8.13 hereof;

(v) to enter into and perform its obligations under the other Fundamental Documents;

(vi) to enter into Notices of Assignment, Interparty Agreements, Co-Financing Intercreditor Agreements, and intercreditor and/or subordination agreements on terms acceptable to the Administrative Agent with (A) the unions and/or the guilds with respect to the security interests in favor of such unions and/or guilds required pursuant to the terms of the collective bargaining agreements, (B) any Licensee or licensor having any rights to any Item of Product, (C) Persons providing any services in connection with any Item of Product, (D) Persons providing tax benefit and/or production subsidies or co-financing for Items of Product or (E) Licensing Intermediaries which are permitted by the terms hereof to be involved in the distribution of Items of Product;

(vii) to approve the terms and conditions of any sale or leaseback or other tax benefit transaction pursuant to Section 6.8 hereof;

(viii) notwithstanding the fact that a Default or an Event of Default has occurred and is continuing, to make the determination that Loans shall continue to be funded by the Lenders (in accordance with their respective Pro Rata Shares and not in excess of their respective Commitments) for any Item of Product (A) that remains Uncompleted and (B) for which the Lenders have made an initial Loan pursuant to Section 4.2 hereof; provided, that any and all conditions set forth in the penultimate paragraph of Section 4.3 hereof have been satisfied with respect thereto; provided further, that any such Loans shall bear interest at a rate per annum of 2% in excess of the rate then in effect for Alternate Base Rate Loans from time to time in effect from the date advanced to the date of repayment without the need for any notice or demand otherwise contemplated in Section 2.9(a) hereof; and

(ix) to determine when a Lender is or becomes a Defaulting Lender or is no longer a Defaulting Lender.

13.2 Payments. As among the Secured Parties, any amounts received by the Administrative Agent in connection with the Fundamental Documents, the application of which

is not otherwise provided for (and without limiting the Administrative Agent's right to make payments which it reasonably believes are necessary or advisable to enhance or preserve the value of the Collateral), shall be applied, first, to pay the accrued but unpaid Commitment Fees in accordance with each Lender's Percentage, second, to pay accrued but unpaid interest on the Loans in accordance with the amount of outstanding Loans owed to each Lender, third, to pay the principal balance outstanding on the Loans (with amounts payable on the principal balance outstanding on any Loans in accordance with the amount of outstanding Loans owed to each Lender), reimbursement of amounts outstanding under Currency Agreements or Swap Agreements permitted by Section 6.18 hereof, fourth, to pay any other amounts then due to the Administrative Agent or any other Secured Party under this Credit Agreement or any other Fundamental Document and fifth, to pay any other outstanding Obligations. All amounts to be paid to any Lender by the Administrative Agent shall be credited to that Lender, after collection by the Administrative Agent, in immediately available funds either by wire transfer or deposit in such Lender's correspondent account with the Administrative Agent, or as such Lender and the Administrative Agent shall from time to time agree. Notwithstanding the foregoing, amounts received from any Credit Party that is not a Qualified ECP Guarantor shall not be applied to any Excluded Swap Obligation of such Guarantor.

13.3 Sharing of Setoffs and Cash Collateral. Each of the Lenders agrees that if it shall, through the exercise of a right of banker's Lien, set off or counterclaim against any Credit Party (including, but not limited to, a secured claim under Section 506 of Title 11 of the United States Code or other security or interest arising from, or in lieu of, such secured claim and received by such Lender under any applicable bankruptcy, insolvency or other similar law) or otherwise, obtain payment in respect of its Loans as a result of which the unpaid portion of its Loans is proportionately less than the unpaid portion of Loans of any of the other Lenders, (a) it shall promptly purchase at par (and shall be deemed to have thereupon purchased) from such other Lenders a participation in the Loans of such other Lenders, so that the aggregate unpaid principal amount of each of the Lender's Loans and its participation in Loans of the other Lenders shall be in the same proportion to the aggregate unpaid principal amount of all Loans then outstanding as the principal amount of its Loans prior to the obtaining of such payment was to the principal amount of all Loans outstanding prior to the obtaining of such payment, and (b) such other adjustments shall be made from time to time as shall be equitable to ensure that the Lenders share such payment pro rata. If all or any portion of such excess payment is thereafter recovered from the Lender which originally received such excess payment, such purchase (or portion thereof) shall be canceled and the purchase price restored to the extent of such recovery. The Credit Parties expressly consent to the foregoing arrangements and agree that any Lender or Lenders holding (or deemed to be holding) a participation in a Loan may exercise any and all rights of banker's Lien, set off or counterclaim with respect to any and all moneys owing by the Borrower to such Lender or Lenders as fully as if such Lender or Lenders held a Loan and was the original obligee thereon, in the amount of such participation. Notwithstanding the foregoing, a Defaulting Lender (other than a Lender which is a Defaulting Lender solely as a result of clause (e) of the definition "Defaulting Lender", but which Defaulting Lender has otherwise fulfilled its obligations under this Credit Agreement), shall not be entitled to share in any benefit contemplated by this Section 13.3 realized by a non-Defaulting Lender, until all the Obligations owed to the non-Defaulting Lenders have been paid in full and the Commitments have been terminated.

13.4 Notice to the Lenders. Upon receipt by the Administrative Agent from any of the Credit Parties of any communication calling for an action on the part of the Lenders, or upon receipt by the Administrative Agent from any Credit Party of notice of any Event of Default, the Administrative Agent will in turn promptly inform the other Lenders in writing (which shall include facsimile and electronic communications) of the nature of such communication or of the Event of Default, as the case may be.

13.5 Liability of the Administrative Agent.

(a) The Administrative Agent, when acting on behalf of any Secured Parties, may execute any of its duties under this Credit Agreement or the other Fundamental Documents by or through its respective directors, officers, agents and employees and neither the Administrative Agent nor its respective directors, officers, agents and employees shall be liable to any other Secured Party for any action taken or omitted to be taken in good faith, nor be responsible to any such other Secured Party for the consequences of any oversight or error of judgment, or for any loss, unless the same shall happen through such Person's gross negligence or willful misconduct (as finally determined by a court of competent jurisdiction in a non-appealable decision or in an appealable decision that such Person has not appealed within the time required). The Administrative Agent and its directors, officers, agents, and employees shall in no event be liable to any other Secured Party for any action taken or omitted to be taken by it pursuant to instructions received by it from the Required Lenders (or, as applicable under this Credit Agreement, the Required Revolving Lenders or the Required Term Lenders) or in reliance upon the advice of counsel selected by it with reasonable care. Without limiting the foregoing, neither the Administrative Agent, nor any of its directors, officers, employees, or agents shall be responsible to any other Secured Party for the due execution, validity, genuineness, effectiveness, sufficiency, or enforceability of, or for any statement, warranty, or representation in, or for the perfection of any Lien contemplated by, this Credit Agreement, any other Fundamental Document or any related agreement, document or order, or for freedom of any of the Collateral from prior Liens or security interests, or shall be required to ascertain or to make any inquiry concerning the performance or observance by the Borrower, any other Credit Party or any other Person of any of the terms, conditions, covenants, or agreements of this Credit Agreement, any other Fundamental Document, or any related agreement or document.

(b) None of the Administrative Agent (in its capacity as agent for the Secured Parties), or any of its directors, officers, employees or agents shall have any responsibility to the Borrower or any other Credit Party on account of the failure or delay in performance or breach by any of the Lenders (other than SunTrust Bank) of any of such Lender's obligations under this Credit Agreement, the other Fundamental Documents or any related agreement or document or in connection herewith or therewith. No Lender nor any of its directors, officers, employees or agents shall have any responsibility to the Borrower or any other Credit Party on account of the failure or delay in performance or breach by any other Lender of such other Lender's obligations under this Credit Agreement, the other Fundamental Documents or any related agreement or document or in connection herewith or therewith.

(c) The Administrative Agent (in its capacity as agent for the Lenders hereunder) shall be entitled to rely on any communication, instrument or document believed by it to be genuine or correct and to have been signed or sent by a Person or Persons believed by it to

be the proper Person or Persons, and it shall be entitled to rely on advice of legal counsel, independent public accountants, and other professional advisers and experts selected by it with reasonable care.

13.6 Reimbursement and Indemnification.

(a) Each of the Lenders agrees (i) to reimburse the Administrative Agent for such Lender's Pro Rata Share of any reasonable out-of-pocket expenses and fees incurred for the benefit of the Lenders under the Fundamental Documents, including, without limitation, reasonable outside counsel fees and compensation of agents and employees paid for services rendered on behalf of the Secured Parties, and any other expense incurred in connection with the operations or enforcement thereof not reimbursed by or on behalf of the Borrower or any other Credit Party, and (ii) to indemnify and hold harmless the Administrative Agent and any of its directors, officers, employees, and agents, on demand, in accordance with such Lender's Percentage, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against, it or any of them in any way relating to or arising out of any of the Fundamental Documents or any related agreement or document, or any action taken or omitted by it or any of them under any Fundamental Documents or any related agreement or document, to the extent not reimbursed by or on behalf of the Borrower or any other Credit Party (except such as shall result from the gross negligence or willful misconduct of the Person to be reimbursed, indemnified or held harmless, as finally determined by a court of competent jurisdiction in a non-appealable decision or in an appealable decision that the party seeking indemnification does not appeal within the time required). To the extent indemnification payments made by the Lenders pursuant to this Section 13.6 are subsequently recovered by the Administrative Agent from a Credit Party, the Administrative Agent will promptly refund such previously paid indemnity payments to the Lenders. Notwithstanding the foregoing, if there are at the time of computation of a reimbursement and/or indemnity obligation one or more Defaulting Lenders which have not fulfilled their obligations under this Section 13.6, the obligations of such non-performing Defaulting Lenders shall be reallocated among the other Lenders (including performing Defaulted Lenders), in proportion to the percentage of such Lender to the aggregate percentage of all Lenders (other than that of the non-performing Defaulting Lender or Defaulting Lenders).

(b) The provisions of Section 13.6(a) are agreements among the Administrative Agent and the Lenders and are not for the benefit of any of the Credit Parties and may not be asserted by any of the Credit Parties as a defense to, or a limitation of, their respective Obligations under this Credit Agreement.

13.7 Rights of Administrative Agent. It is understood and agreed that the Administrative Agent shall have the same duties, rights and powers as a Lender hereunder (including the right to give such instructions) as any of the other Lenders and may exercise such rights and powers, as well as its rights and powers under other agreements and instruments to which it is or may be party, and engage in other transactions with any Credit Party or Affiliate thereof, as though it were not the Administrative Agent of the Lenders under this Credit Agreement and the other Fundamental Documents.

13.8 Independent Investigation by Lenders. Each of the Lenders acknowledges that it has decided to enter into this Credit Agreement and the other Fundamental Documents and to make the Loans hereunder based on its own analysis of the transactions contemplated hereby and of the creditworthiness of the Credit Parties and agrees that none of the Administrative Agent, the Arranger, or any other Lender shall bear any responsibility therefor.

13.9 Agreement of Required Lenders. Except as set forth in Section 14.10 hereof, upon any occasion requiring or permitting an approval, consent, waiver, election or other action on the part of the Lenders, action shall be taken by the Administrative Agent for and on behalf of, or for the benefit of, all Lenders upon the direction of the Required Lenders and any such action shall be binding on all Lenders. No amendment, modification, consent or waiver shall be effective except in accordance with the provisions of Section 14.10 hereof. The Credit Parties hereby acknowledge and agree that (a) the Administrative Agent may (but shall not be required to) in the context of any provision of any Fundamental Document which provides that the Administrative Agent may make any determination, take (or omit to take) any action or exercise in any discretion, consult with the Lenders as to such action, determination or exercise, and to follow the advice of the Lender group following such consultation and (b) the Administrative Agent shall not be deemed to be in violation of any commitment or agreement under any of the Fundamental Documents for acting in accordance with the foregoing clause (a).

13.10 Notice of Transfer. The Administrative Agent may deem and treat any Lender which is a party to this Credit Agreement as the owner of such Lender's respective portions of the Loans for all purposes, unless and until a written notice of the assignment or transfer thereof executed by any such Lender shall have been received by the Administrative Agent and become effective in accordance with Section 14.3 hereof.

13.11 Successor Administrative Agent. The Administrative Agent may resign at any time by giving ten (10) days' prior written notice thereof to the Lenders and the Borrower, but such resignation shall not become effective until acceptance by a successor agent of its appointment pursuant hereto. Upon any such resignation, the retiring Administrative Agent shall consult with the Borrower and promptly appoint a successor agent from among the Lenders which successor shall be experienced and sophisticated in entertainment industry lending; provided, that such successor is not an Excluded Party and is otherwise reasonably acceptable (as evidenced in writing) to the Required Lenders and the Borrower; provided, however, that such consultation with and approval by the Borrower shall not be required at any time when a Default or Event of Default is continuing. If no successor agent shall have been so appointed by the retiring Administrative Agent and shall have accepted such appointment, within thirty (30) days after the retiring agent's giving of notice of resignation, the Required Lenders may appoint a successor agent (provided, that such successor is an existing Lender and/or is experienced and sophisticated in entertainment industry lending and (except if a Default or an Event of Default is continuing) is reasonably acceptable to the Borrower and is not an Excluded Party), which shall be either a Lender or a commercial bank organized under the laws of the United States of America or of any State thereof and shall have a combined capital and surplus of at least \$250,000,000 and shall be experienced and sophisticated in entertainment industry lending. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor agent, such successor agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring

Administrative Agent shall be discharged from its duties and obligations under this Credit Agreement, the other Fundamental Documents and any other credit documentation. After any retiring Administrative Agent's resignation hereunder as Administrative Agent, the provisions of this Article 13 and Article 14 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Credit Agreement.

14. MISCELLANEOUS

14.1 Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to Section 14.1(b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or internationally recognized overnight courier service, mailed by certified or registered mail (in each case, return receipt requested and postage prepaid) or sent by facsimile, or by electronic photocopy (*i.e.*, "PDF" or "TIFF") format sent by electronic mail, as follows:

(i) if to any Credit Party, to (A) 1462598 Ontario Inc. d/b/a Tricon Films and Television, 372 Richmond Street West, Suite 200, Toronto, Ontario M5V 1X6 Canada, Facsimile No.: (416) 341-0173, email andrea@triconfilms.com, and blake@triconfilms.com, with copies to (B) Reed Smith LLP, 1901 Avenue of the Stars, Suite 700, Los Angeles, California 90067; Attention: Robert J. Sherman, Esq.; Facsimile No. 310-734-5299; email: rsherman@reedsmith.com;

(ii) if to the Administrative Agent or to SunTrust Bank, to (A) SunTrust Bank, 303 Peachtree St. , 32nd Floor, Atlanta, GA, 30308, Attention: Brett Ross, Vice President, Sports & Entertainment Specialty Group, Facsimile No. (404) 813-5260, email: Ross.Brett@SunTrust.com, with copies to (B) Akin, Gump, Strauss, Hauer & Feld LLP, 2029 Century Park East, Suite 2400, Los Angeles, California 90067, Attention: P. John Burke, Facsimile No. (310) 229-1001; email: jburke@akingump.com; and

(iii) if to any other Lender, to it at its address, facsimile number or e mail address) set forth on the signature pages hereto or via posting to a data sharing site (*e.g.*, "Intralinks") to which such Lender has been provided access.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided, that the foregoing shall not apply to notices pursuant to Article 2 unless otherwise agreed by the Administrative Agent and the applicable Lender.

(c) Any party hereto may change its address or facsimile number or e mail address for notices and other communications hereunder by notice to all of the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Credit Agreement shall be effective (and shall be deemed to have been given): (a) on the day when personally served; (b) on the second Business Day after its deposit with an internationally recognized overnight courier; (c) on the third Business Day after its deposit in the United States mail; and (d) on the Business Day of confirmed transmission by facsimile or electronic mail (with confirmation of successful transmission issued from the sender's facsimile

machine or email server, as applicable) (provided such transmission was made prior to 6pm in the intended recipient's time zone on a Business Day and, if not, then on the Business Day after such transmission was confirmed).

14.2 Survival of Agreement, Representations and Warranties, etc. All warranties, representations and covenants made by any of the Credit Parties herein or in any other Fundamental Document or in any certificate or other instrument delivered by it or on its behalf in connection with this Credit Agreement or any other Fundamental Document shall be considered to have been relied upon by the Administrative Agent and the Lenders and, except for any terminations, amendments, modifications or waivers thereof in accordance with the terms hereof, shall survive the making of the Loans herein contemplated and the execution and delivery to the Administrative Agent of the Notes regardless of any investigation made by the Administrative Agent or the Lenders or on their behalf and shall continue in full force and effect so long as any Obligation is outstanding and unpaid and so long as the Commitments have not been terminated. All statements in any such certificate or other instrument shall constitute representations and warranties by such Person hereunder.

14.3 Successors and Assigns; Syndications; Loan Sales; Participations.

(a) Whenever in this Credit Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; provided, however, that neither the Borrower nor any other Credit Party may assign its rights hereunder without the prior written consent of the Administrative Agent and all Lenders, and all covenants, promises and agreements by or on behalf of any of the Credit Parties which are contained in this Credit Agreement shall inure to the benefit of the successors and assigns of the Administrative Agent and the Lenders.

(b) Each of the Lenders may (but only with the prior written consent of the Administrative Agent, which consent shall not be unreasonably withheld and at any time while a continuing Event of Default is not in existence, the prior written consent of the Borrower (not to be unreasonably withheld or delayed, and provided, that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after receipt of written notice thereof)) assign to an Eligible Assignee all or a portion of its interests, rights and obligations under this Credit Agreement (including, without limitation, all or a portion of its Commitment and the same portion of all Loans at the time owing to it or the Notes held by it); provided, however, that (i) each assignment shall be of a constant, and not a varying, percentage of the assigning Lender's interests, rights and obligations under this Credit Agreement, (ii) each assignment shall be in a minimum Commitment amount equal to the lesser of US\$2,000,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) and such assigning Lender's entire Commitment and (iii) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register (as defined below), an Assignment and Assumption, together with the assigning Lender's original Note (if any) and a processing and recordation fee of US\$3,500 to be paid to the Administrative Agent by the assigning Lender. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment and Assumption, which effective date shall not (unless otherwise agreed to by the Administrative Agent) be earlier than five (5) Business Days

after the date of acceptance and recording by the Administrative Agent, (x) the assignee thereunder shall be a party hereto and, to the extent provided in such Assignment and Assumption, have the rights and obligations of a Lender hereunder and under the other Fundamental Documents and shall be bound by the provisions hereof, and (y) the assigning Lender thereunder shall, to the extent provided in such Assignment and Assumption, relinquish its rights and be released from its obligations under this Credit Agreement except that, notwithstanding such assignment, any rights and remedies available to the Borrower for any breaches by such assigning Lender of its obligations hereunder while a Lender shall be preserved after such assignment and such Lender shall not be relieved of any liability to the Borrower due to any such breach. In the case of an Assignment and Assumption covering all or the remaining portion of the assigning Lender's rights and obligations under this Credit Agreement, such assigning Lender shall cease to be a party hereto as of the effective date of such Assignment and Assumption, except as provided in Sections 14.4 and 14.5.

(c) Notwithstanding any provision herein otherwise requiring the consent of the Borrower, each Lender may at any time make an assignment of its interests, rights and obligations under this Credit Agreement without the consent of the Borrower, to (i) any Affiliate of such Lender, (ii) any Person, or Affiliate of a Person, that manages such Lender (a "Related Fund") or (iii) any other Lender hereunder. Any such assignment to any Affiliate of the assigning Lender, a Related Fund or any other Lender hereunder shall not be subject to the requirement of Section 14.3(b) that the amount of the Commitment (or Loans if applicable) of the assigning Lender subject to each assignment be in a minimum principal amount of the lesser of US\$1,000,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) and such assigning Lender's entire Commitment; provided, that, unless an Event of Default has occurred and is continuing, no assignment may be consummated under this Section 14.3(c) to any Excluded Party.

(d) By executing and delivering an Assignment and Assumption, the assigning Lender thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than the representation and warranty that it is the legal and beneficial owner of the interest being assigned thereby and that such interest is free and clear of any adverse claim, the assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Credit Agreement or any other Fundamental Document or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Fundamental Documents or any other instrument or document furnished pursuant hereto or thereto; (ii) such assignor Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Credit Party or the performance or observance by any Credit Party of any of their obligations under the Fundamental Documents or any other instrument or document furnished pursuant thereto; (iii) such assignee confirms that it has received a copy of this Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Sections 5.1(a) and (b) hereof (if such financial statements shall have theretofore been delivered) and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Assumption; (iv) such assignee agrees that it will, independently and without reliance upon the assigning Lender, the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not

taking action under this Credit Agreement or any other Fundamental Document; (v) such assignee appoints and authorizes the Administrative Agent to take such action as the Administrative Agent on its behalf and to exercise such powers under this Credit Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto; and (vi) such assignee agrees that it will be bound by the provisions of this Credit Agreement and will perform in accordance with their terms all of the obligations which by the terms of this Credit Agreement are required to be performed by it as a Lender.

(e) The Administrative Agent (acting for this purpose on behalf of the Borrower) shall maintain at its address at which notices are to be given to it pursuant to Section 14.1 a copy of each Assignment and Assumption and a register for the recordation of the names and addresses of the Lenders and the Commitments of, and principal amount of the Loans owing to, each Lender from time to time (the “Register”). The entries in the Register shall be conclusive, in the absence of manifest error, and the Credit Parties, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of the Fundamental Documents. The Register shall be available for inspection by any Credit Party or any Lender at any reasonable time and from time to time upon reasonable prior notice. The Register and each Lender’s books and records showing the Obligations and the transactions pursuant to this Credit Agreement and the other Fundamental Documents shall be admissible in any action or proceeding arising therefrom, and shall, absent manifest error, constitute rebuttably presumptive proof thereof, irrespective of whether any Obligation is also evidenced by a promissory note or other instrument.

(f) Subject to the foregoing, upon its receipt of an Assignment and Assumption executed by an assigning Lender and an assignee together with the assigning Lender’s original Note (if any), if applicable, (or an agreement from the assigning Lender that such Note shall be automatically terminated upon the effectiveness of such assignment and that it shall return such Note reasonably promptly after the assignment is completed) and the processing and recordation fee, the Administrative Agent shall, if such Assignment and Assumption has been completed, is in the form of Exhibit H hereto, and has been consented to in writing by the Borrower, if applicable (i) accept such Assignment and Assumption, and (ii) record the information contained therein in the Register. Within five (5) Business Days after receipt of the notice, the Borrower, at its own expense, shall execute and deliver to the Administrative Agent, in exchange for the surrendered Note (if any), a new Note to the order of such assignee (if such assignee has requested a Note) in an amount equal to the Commitment assumed by it pursuant to such Assignment and Assumption and if the assigning Lender has retained a Commitment hereunder and so requests, a new Note to the order of the assigning Lender in an amount equal to the Commitment retained by it hereunder. Any new Notes shall be in an aggregate principal amount not in excess of the aggregate principal amount of the Commitment assigned and shall otherwise be in substantially the form of Exhibit A hereto. In addition the Credit Parties will promptly, at their own expense, execute such amendments to the Fundamental Documents to which each is a party and such additional documents, and take such other actions as the Administrative Agent or the assignee Lender may reasonably request in order to give such assignee Lender the full benefit of the Liens contemplated by the Fundamental Documents.

(g) Each of the Lenders may, without the consent of any of the Credit Parties, the Administrative Agent or the other Lenders, sell participations to one or more banks or other entities in all or a portion of its rights and obligations under this Credit Agreement (including, without limitation, all or a portion of its Commitment and the Loans owing to it and any Note held by it); provided, however, that (i) such Lender's obligations under this Credit Agreement shall remain unchanged, (ii) such participant shall not be granted any voting rights or any right to control the vote of such Lender under this Credit Agreement, except with respect to proposed changes to interest rates, amount of Commitments, final maturity of any Loan, fees and releases of all or substantially all the Collateral and fees (in each case, only as applicable to such participant), (iii) any such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iv) the participating banks or other entities shall be entitled to the cost protection provisions contained in Sections 2.11, 2.12, 2.13, 2.14 (subject to the last sentence of this Section 14.3(g)) and 13.3 hereof but a participant shall not be entitled to receive pursuant to such provisions an amount larger than its share of the amount to which the Lender granting such participation would have been entitled to receive, and (v) the Credit Parties, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's and its participants' rights and obligations under this Credit Agreement. No holder of a participating interest shall be entitled to the benefits of Section 2.15 hereof with respect to withholding taxes under the law of the jurisdiction in which the Borrower is located, unless the Borrower is notified of the participation sold to such holder and such holder agrees, for the benefit of the Borrower, to comply with Section 2.15(e)(i) and Section 2.15(e)(ii) hereof as though it were a Lender.

(h) A Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 14.3, disclose to the assignee or participant or proposed assignee or participant, any information relating to any Credit Party furnished to the Administrative Agent or such Lender by or on behalf of the Borrower or another Credit Party (provided, that such proposed assignee or participant agrees to hold such information confidential in accordance with Section 14.18 hereof).

(i) Any assignment pursuant to Section 14.3(b) or (c) hereof shall constitute an amendment of the Schedule of Commitments as of the effective date of such assignment without any other further action required.

(j) The Credit Parties consent that any Lender may at any time and from time to time pledge or otherwise grant a security interest in any Loan or in any Note evidencing the Loans (or any part thereof) to any Federal Reserve Bank; provided, that no such pledge or grant of a security interest shall release such Lender from any of its obligations hereunder or substitute any such pledgee or creditor for such Lender as a party hereto until the provisions of this Section 14.3 regarding assignment are satisfied with respect to such pledge or security interest grant.

14.4 Expenses; Documentary Taxes. Whether or not the transactions hereby contemplated shall be consummated, the Borrower agrees to pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent or the Arranger in connection with, or growing out of, the performance of due diligence, the syndication of the credit facility contemplated hereby, the negotiation, preparation, execution, delivery, waiver or modification and

administration of this Credit Agreement and any other documentation contemplated hereby, the making of the Loans, the Collateral, the Pledged Securities or any Fundamental Document, including but not limited to, the reasonable out-of-pocket costs and reasonable internally allocated charges of audit or field examinations of the Administrative Agent in connection with the administration of this Credit Agreement, the verification of financial data and the transactions contemplated hereby, and the reasonable fees and disbursements of Akin Gump Strauss Hauer & Feld LLP, counsel for the Administrative Agent and the Arranger and any other local counsel that the Administrative Agent shall retain, and (ii) all reasonable out-of-pocket expenses incurred by the Administrative Agent in the enforcement or protection (as distinguished from administration) of the rights and remedies of the Lenders in connection with this Credit Agreement, the Notes or the other Fundamental Documents, or as a result of any transaction, action or non-action arising from any of the foregoing, including, but not limited to, the reasonable fees and disbursements of any outside counsel for the Administrative Agent and, in addition, the reasonable fees and disbursements of not more than one counsel for all other Lenders as a group. Such payments shall be made on the date this Credit Agreement is executed by the Borrower and thereafter on demand. The Borrower agrees that it shall indemnify the Administrative Agent and the Lenders from and hold them harmless against any documentary taxes, assessments or charges made by any Governmental Authority by reason of the execution and delivery of this Credit Agreement or the Notes, except to the extent that same have been found in a final judgment of a court of competent jurisdiction to have been caused by reason solely of the gross negligence or willful misconduct of the Administrative Agent or Lender (as applicable). The obligations of the Borrower under this Section 14.4 shall survive the termination of this Credit Agreement, the payment of the Loans and termination of the Currency Agreements and Swap Agreements.

14.5 Indemnity. The Credit Parties agree to indemnify and hold harmless the Administrative Agent, the Arranger, the Bookrunner and the Lenders and their respective directors, officers, employees and agents (each an “Indemnified Party”) (to the full extent permitted by Applicable Law) from and against any and all claims, demands, losses, judgments, damages and liabilities (including liabilities for penalties) incurred by any of them as a result of, or arising out of, or in any way related to, or by reason of, any investigation, litigation, dispute or other proceeding or any threat of any of the foregoing (whether or not any Lender, the Administrative Agent, the Arranger, the Bookrunner or any Lender is a party thereto) related to the entering into and/or performance of any Fundamental Document or the use of the proceeds of any Loans hereunder or the consummation of the transaction contemplated in any Fundamental Document, including, without limitation, the reasonable fees and disbursements of counsel incurred in connection with any such investigation, litigation or other proceeding (but excluding (i) any such losses, liabilities, claims, damages or expenses of an Indemnified Party to the extent they are found in a final judgment of a court of competent jurisdiction to have been incurred by reason solely of the gross negligence or willful misconduct of such Indemnified Party, (ii) litigation solely between a Credit Party or Credit Parties, on the one hand, and the Administrative Agent or the Lenders, on the other hand, in connection with this Credit Agreement or the other Fundamental Documents or in any way relating to the transactions contemplated hereby or thereby if, after final non-appealable judgment, the Administrative Agent or the Lenders are not the prevailing party or parties in such litigation, (iii) litigation among the Lenders or between the Administrative Agent and/or the Lenders in connection with this Credit Agreement, the Fundamental Documents or in any way relating to the transactions contemplated thereby or hereby that is not based upon action or inaction of a Credit Party or one of its Affiliates, (iv) any

Indemnified Taxes or Other Taxes and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, which shall be governed exclusively by the indemnification provisions under Section 2.15 hereof and (v) any Excluded Taxes). If any proceeding, including any governmental investigation, shall be instituted involving any Indemnified Party, in respect of which indemnity may be sought against the Credit Parties, such Indemnified Party shall promptly notify the Borrower in writing. The foregoing indemnity agreement includes any costs incurred by an Indemnified Party in connection with any action or proceeding in connection with which any officer or employee of the Administrative Agent, the Arranger, the Bookrunner or the Lenders is called as a witness or deponent, including, but not limited to, the reasonable fees and disbursements of Akin Gump Strauss Hauer & Feld LLP, counsel to the Administrative Agent, the Arranger, the Bookrunner and any reasonable out-of-pocket costs incurred by the Administrative Agent, the Arranger, the Bookrunner or the Lenders in appearing as a witness or in otherwise complying with legal process served upon them. The obligations of the Borrower under this Section 14.5 shall survive the termination of this Credit Agreement, the payment of the Loans, and the termination of all Currency Agreements and Swap Agreements and shall inure to the benefit of any Person who was a Lender notwithstanding such Person's assignment of all its Loans and Commitment hereunder.

If a Credit Party shall fail to do any act or thing which it has covenanted to do hereunder or under a Fundamental Document, or any representation or warranty of a Credit Party shall be breached, the Administrative Agent may (but shall not be obligated to) do the same or cause it to be done or remedy any such breach and there shall be added to the Obligations hereunder the cost or expense incurred by the Administrative Agent in so doing, and any and all amounts expended by the Administrative Agent in taking any such action shall be repayable to it upon its demand therefor and shall bear interest at a rate per annum of 2% in excess of the rate then in effect for Alternate Base Rate Loans from time to time in effect from the date advanced to the date of repayment.

14.6 CHOICE OF LAW. THIS CREDIT AGREEMENT AND THE NOTES SHALL IN ALL RESPECTS BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK WHICH ARE APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED WHOLLY WITHIN SUCH STATE AND, IN THE CASE OF PROVISIONS RELATING TO INTEREST RATES, ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA.

14.7 WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, EACH PARTY HERETO HEREBY WAIVES, AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS CREDIT AGREEMENT, THE SUBJECT MATTER HEREOF, ANY OTHER FUNDAMENTAL DOCUMENT OR THE SUBJECT MATTER THEREOF, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT OR TORT OR OTHERWISE. EACH PARTY HERETO ACKNOWLEDGES THAT IT HAS BEEN INFORMED BY THE OTHER PARTIES HERETO THAT THE PROVISIONS OF THIS SECTION CONSTITUTE A MATERIAL INDUCEMENT UPON WHICH SUCH OTHER PARTIES HAVE RELIED, ARE RELYING

AND WILL RELY IN ENTERING INTO THIS CREDIT AGREEMENT AND ANY OTHER FUNDAMENTAL DOCUMENT. ANY PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 14.7 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF ANY PARTY HERETO TO THE WAIVER OF ITS RIGHTS TO TRIAL BY JURY.

14.8 WAIVER WITH RESPECT TO DAMAGES. EACH CREDIT PARTY ACKNOWLEDGES THAT NONE OF THE ADMINISTRATIVE AGENT, THE ARRANGER, THE BOOKRUNNER OR ANY LENDER HAS ANY FIDUCIARY RELATIONSHIP WITH, OR FIDUCIARY DUTY TO, ANY CREDIT PARTY ARISING OUT OF OR IN CONNECTION WITH THIS CREDIT AGREEMENT OR ANY OTHER FUNDAMENTAL DOCUMENT AND THE RELATIONSHIP BETWEEN THE ADMINISTRATIVE AGENT, THE ARRANGER, THE BOOKRUNNER AND THE LENDERS, ON THE ONE HAND, AND THE CREDIT PARTIES, ON THE OTHER HAND, IN CONNECTION THEREWITH IS SOLELY THAT OF CREDITOR AND DEBTOR. TO THE EXTENT PERMITTED BY APPLICABLE LAW, NO CREDIT PARTY SHALL ASSERT, AND EACH CREDIT PARTY HEREBY WAIVES, ANY CLAIMS AGAINST THE ADMINISTRATIVE AGENT, THE ARRANGER, THE BOOKRUNNER AND THE LENDERS ON ANY THEORY OF LIABILITY, FOR SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES (AS OPPOSED TO DIRECT OR ACTUAL DAMAGES) ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF, THIS CREDIT AGREEMENT, ANY FUNDAMENTAL DOCUMENT, ANY AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY OR THEREBY, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

14.9 No Waiver. No failure on the part of any Secured Party to exercise, and no delay in exercising, any right, power or remedy hereunder, under the Notes or any other Fundamental Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law.

14.10 Amendments, etc.

(a) No modification, amendment or waiver of any provision of this Credit Agreement, and no consent to any departure by a Credit Party herefrom, shall in any event be effective unless the same shall be in writing and signed by the Required Lenders and the Administrative Agent, and acknowledged and agreed to by the Borrower and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that (i) no such modification, amendment, waiver or consent shall, without the written consent of all Lenders, (A) amend or modify any provision of this Credit Agreement which provides for the unanimous consent or approval of the Lenders, (B) release any material amount of Collateral or any of the Pledged Securities (except as contemplated herein) or release any Guarantor or any Pledgor from its obligations hereunder (except as contemplated herein), (C) alter the final scheduled maturity or principal amount of any Loan, or decrease the rate of interest payable thereon, or decrease the rate at which the Commitment Fees accrue, or delay the fixed scheduled maturity of any payment required to be made under this

Credit Agreement, (D) subordinate any material portion of the Obligations hereunder to other Indebtedness or subordinate the security interests of the Administrative Agent in any material amount of the Collateral except as permitted by Section 13.1 hereof, (E) amend the definition of “Required Lenders” to decrease the percentage of Lenders referred to therein, (F) materially amend the definition of “Collateral”, (G) amend or modify Section 8.7 or 13.2 hereof or this Section 14.10(a), (ii) no such modification, amendment, waiver or consent shall increase the Commitment of any Lender without the written consent of such Lender, and (iii) no such modification, amendment, waiver or consent shall amend Section 2.2 or 2.4 hereof without the written consent of the Administrative Agent. No such amendment or modification may adversely affect the rights and obligations of the Administrative Agent hereunder without its prior written consent. No notice to or demand on any of the Credit Parties shall entitle such Credit Party to any other or further notice or demand in the same, similar or other circumstances. Each holder of a Note shall be bound by any amendment, modification, waiver or consent authorized as provided herein, whether or not such Note shall have been marked to indicate such amendment, modification, waiver or consent and any consent by any holder of such Note shall bind any Person subsequently acquiring such Note, whether or not such Note is so marked.

(b) If any Lender (i) requests compensation under Sections 2.9(b), 2.12 or 2.15 hereof, (ii) defaults in its obligation to fund Loans hereunder, (iii) becomes a Defaulting Lender or (iv) does not consent to any waiver, consent or modification requested by the Borrower (but only where the consent of all the Lenders or “each Lender affected thereby” is required for such waiver, consent or modification and the Borrower obtains approval for the waiver, consent or modification from other Lenders holding at least 75% of the Total Commitments), then the Borrower may, at its sole expense and effort and upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 14.3 hereof), all of its interests, rights and obligations under this Credit Agreement to another Lender which shall assume such obligations and which accepts such assignment; provided, that (i) the Borrower shall have received the prior written consent of the Administrative Agent in its sole and absolute discretion, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts then payable to it hereunder from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts), (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.10 hereof or payments required to be made pursuant to Sections 2.7(b) or 2.13 hereof, such assignment will result in a reduction in such compensation or payment on an ongoing basis and (iv) in the case of any such assignment by a non-consenting Lender, such new Lender consents to the proposed waiver, consent or modification. No Lender shall be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

14.11 Severability. Any provision of this Credit Agreement or of the Notes which is invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without invalidating the remaining provisions hereof, and any such invalidity, illegality or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

14.12 SERVICE OF PROCESS; SUBMISSION TO JURISDICTION. EACH PARTY HERETO (EACH A “SUBMITTING PARTY”) HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF THE STATE COURTS OF THE STATE OF NEW YORK IN NEW YORK COUNTY AND TO THE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, FOR THE PURPOSES OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF OR BASED UPON THIS CREDIT AGREEMENT, THE SUBJECT MATTER HEREOF, ANY OTHER FUNDAMENTAL DOCUMENT AND THE SUBJECT MATTER THEREOF. EACH SUBMITTING PARTY TO THE EXTENT PERMITTED BY APPLICABLE LAW (A) HEREBY WAIVES, AND AGREES NOT TO ASSERT, BY WAY OF MOTION, AS A DEFENSE, OR OTHERWISE, IN ANY SUCH SUIT, ACTION OR OTHER PROCEEDING BROUGHT IN THE ABOVE-NAMED COURTS, ANY CLAIM THAT IT IS NOT SUBJECT PERSONALLY TO THE JURISDICTION OF SUCH COURTS, THAT ITS PROPERTY IS EXEMPT OR IMMUNE FROM ATTACHMENT OR EXECUTION, THAT THE SUIT, ACTION OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM, THAT THE VENUE OF THE SUIT, ACTION OR PROCEEDING IS IMPROPER OR THAT THIS CREDIT AGREEMENT, THE SUBJECT MATTER HEREOF, THE OTHER FUNDAMENTAL DOCUMENTS OR THE SUBJECT MATTER THEREOF (AS APPLICABLE) MAY NOT BE ENFORCED IN OR BY SUCH COURT, (B) HEREBY WAIVES THE RIGHT TO REMOVE ANY SUCH ACTION, SUIT OR PROCEEDING INSTITUTED BY THE ADMINISTRATIVE AGENT OR A LENDER IN STATE COURT TO FEDERAL COURT, AND (C) HEREBY WAIVES THE RIGHT TO ASSERT IN ANY SUCH ACTION, SUIT OR PROCEEDING ANY OFFSETS OR COUNTERCLAIMS EXCEPT COUNTERCLAIMS THAT ARE COMPULSORY OR OTHERWISE ARISE FROM THE SAME SUBJECT MATTER. EACH SUBMITTING PARTY HEREBY CONSENTS TO SERVICE OF PROCESS BY MAIL AT THE ADDRESS TO WHICH NOTICES ARE TO BE GIVEN TO IT PURSUANT TO SECTION 14.1 HEREOF. EACH SUBMITTING PARTY AGREES THAT ITS SUBMISSION TO JURISDICTION AND CONSENT TO SERVICE OF PROCESS BY MAIL IS MADE FOR THE EXPRESS BENEFIT OF EACH OF THE OTHER SUBMITTING PARTIES. FINAL JUDGMENT AGAINST ANY SUBMITTING PARTY IN ANY SUCH ACTION, SUIT OR PROCEEDING SHALL BE CONCLUSIVE, AND MAY BE ENFORCED IN ANY OTHER JURISDICTION (X) BY SUIT, ACTION OR PROCEEDING ON THE JUDGMENT, A CERTIFIED OR TRUE COPY OF WHICH SHALL BE CONCLUSIVE EVIDENCE OF THE FACT AND OF THE AMOUNT OF INDEBTEDNESS OR LIABILITY OF THE SUBMITTING PARTY THEREIN DESCRIBED, OR (Y) IN ANY OTHER MANNER PROVIDED BY OR PURSUANT TO THE LAWS OF SUCH OTHER JURISDICTION; PROVIDED, HOWEVER, THAT THE ADMINISTRATIVE AGENT OR A LENDER MAY AT ITS OPTION BRING SUIT, OR INSTITUTE OTHER JUDICIAL PROCEEDINGS AGAINST A SUBMITTING PARTY OR ANY OF ITS ASSETS IN ANY STATE OR FEDERAL COURT OF THE UNITED STATES OF AMERICA OR OF ANY COUNTRY OR PLACE WHERE THE SUBMITTING PARTY OR SUCH ASSETS MAY BE FOUND.

14.13 Headings. Section headings used herein and the Table of Contents are for convenience only and are not to affect the construction of or be taken into consideration in interpreting this Credit Agreement.

14.14 Execution in Counterparts. This Credit Agreement may be executed in any number of counterparts, each of which shall constitute an original, but all of which taken together shall constitute one and the same instrument. Delivery of an executed counterpart of this Credit Agreement by facsimile or by email shall be equally effective as delivery of a manually executed counterpart of this Credit Agreement. Any party delivering an executed counterpart of this Credit Agreement by facsimile or by email shall also deliver a manually executed counterpart of this Credit Agreement, but failure to do so shall not affect the validity, enforceability or binding effect of this Credit Agreement, and the parties hereby waive any right they may have to object to such treatment.

14.15 Subordination of Intercompany Indebtedness, Receivables and Advances.

(a) Each Credit Party hereby agrees that any intercompany Indebtedness or other intercompany receivables or intercompany advances of any other Credit Party, directly or indirectly, in favor of such Credit Party of whatever nature at any time outstanding shall be completely subordinate in right of payment to the prior payment in full of the Obligations, and that no payment on any such Indebtedness, receivable or advance shall be made (i) except intercompany receivables and intercompany advances permitted pursuant to Article 6 hereof may be repaid and intercompany Indebtedness permitted pursuant to Article 6 hereof may be repaid, in each case so long as no Default or Event of Default shall have occurred and be continuing, and (ii) except as specifically consented to by all the Lenders in writing, until the prior payment in full of all the Obligations and termination of the Commitments.

(b) If any payment on any such Indebtedness shall be received by such Credit Party other than as permitted by Section 14.15(a) hereof before payment in full of all Obligations (other than contingent indemnification obligations under any of the Fundamental Documents that are expressly stated to survive such payment or termination and for which no claim has been asserted by any indemnified party) and termination of the Commitments, such Credit Party shall receive such payments and hold the same in trust for, segregate the same from its own assets and shall immediately pay over to, the Administrative Agent (on behalf of the Secured Parties) all such sums to the extent necessary so that the Administrative Agent and the Lenders shall have been paid all Obligations owed or which may become owing.

14.16 USA Patriot Act. The Administrative Agent and each Lender hereby notifies the Borrower that, pursuant to the requirements of applicable “know your customer” and anti-money laundering rules and regulations, including without limitation the USA Patriot Act, the Foreign Corrupt Practices Act and any other OFAC-administered laws, regulations, Executive Orders and economic and trade sanction programs, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow the Administrative Agent and each Lender to identify the Borrower in accordance with such requirements.

14.17 Entire Agreement. This Credit Agreement (including the Exhibits and Schedules hereto) represents the entire agreement of the parties with regard to the subject matter hereof and the terms of any letters and other documentation entered into between any of the parties hereto (other than any fee letter arrangements) prior to the execution of this Credit Agreement which relate to Loans to be made hereunder shall be replaced by the terms of this Credit Agreement.

14.18 Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to it and its Affiliates' and Related Funds' and investors' directors, officers, employees and agents, including accountants, legal counsel and other advisors who in the sole discretion of the Administrative Agent and Lenders have a need to know such Information in connection with the administration of the Loans (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority or to the rating agencies, (c) to the extent required by Applicable Laws or by any subpoena or similar legal process, (d) to any other party to this Credit Agreement, (e) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Credit Agreement or the enforcement of rights hereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section 14.18, to (i) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights or obligations under this Credit Agreement, or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (g) with the consent of the Borrower, or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section 14.18, or (y) becomes available to the Administrative Agent or any Lender on a non-confidential basis from a source other than a Credit Party that is not known by the recipient to have breached a binding confidentiality agreement by having remitted such Information. For the purposes of this Section 14.18, "Information" means all information received from any Credit Party relating to any Credit Party or its business, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to disclosure by such Credit Party; provided, that in the case of information received from a Credit Party after the date hereof, such information deemed to confidential for all purposes hereunder unless otherwise indicated by the Borrower in writing. Any Person required to maintain the confidentiality of Information as provided in this Section 14.18 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. The commitments under this Section 14.18 shall terminate upon the termination of this Facility or, if earlier, with respect to a particular Lender, or other Secured Party, the date which is two (2) years from the date on which such Person ceases to be a party to this Credit Agreement.

14.19 Judgment Currency.

(a) Each Credit Party's obligations hereunder to make payments in a specified currency (the "Contractual Currency") shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any currency other than the Contractual Currency, except to the extent that such tender or recovery results in the effective receipt by the party to which payment is owed, acting in good faith and using commercially reasonable procedures in converting the currency so tendered into the Contractual Currency, of the full amount in the Contractual Currency of the amounts payable to such other party under this Credit Agreement. If, for the purpose of obtaining or enforcing judgment against any Credit Party in any court or in any jurisdiction, it becomes necessary to convert into or from any currency other than the Contractual Currency (such other currency being hereinafter referred to as the "Judgment Currency") an amount due in the Contractual Currency, the conversion shall be

made, at the rate of exchange determined, in each case, as of the Business Day immediately preceding the date on which the judgment is given (such Business Day being hereinafter referred to as the “Judgment Currency Conversion Date”). Such rate of exchange shall be determined by reference to quotations from a known dealer in such currency which Person shall be designated by the Administrative Agent as soon as reasonably practicable following the date upon which the parties become aware of the need for such conversion pursuant to this Section 14.19.

(b) If there is a change in the rate of exchange prevailing between the Judgment Currency Conversion Date and the date of actual payment of the amount due, each Credit Party covenants and agrees to pay, or cause to be paid, such additional amounts, if any (but in any event not a lesser amount), as may be necessary to ensure that the amount paid in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Contractual Currency which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial award at the rate of exchange prevailing on the Judgment Currency Conversion Date.

(c) If for any reason the amount in the Contractual Currency received by a party exceeds the amount of the Contractual Currency due and payable, such party receiving the payment will promptly refund to the applicable Credit Party the amount of such excess.

(d) For purposes of determining any rate of exchange or currency equivalent for this Section 14.19, such amounts shall include any premium and costs payable in connection with the purchase of the Contractual Currency.


14.20 Excluded UK Tax Credits. If the Borrower is able to and desires to arrange financing for tax credits in the United Kingdom (“UK Tax Credits”) for an Item of Product as to which Borrowing Base credit is being granted hereunder (but Borrowing Base credit is not being granted with respect to the UK Tax Credit) and that is being produced in whole or in part in the United Kingdom (including its territories as to which the UK Tax Credits are issued for qualifying productions), then, subject to the execution of customary documentation with the provider of such tax credit financing (i.e., an intercreditor agreement and any other documentation reasonably acceptable to the Administrative Agent and the provider of such tax credit financing), the Administrative Agent will release and/or (if acceptable to the provider of the UK Tax Credit financings) subordinate its lien in the UK Tax Credits for such Item of Product and, at the sole expense of the Borrower, execute, deliver and file all reasonable and customary amendments and partial releases to the Copyright Security Agreement, any UCC financing statements and other security documents or filings evidencing or perfecting the Administrative Agent’s Liens to evidence and effect the termination and/or subordination of the Administrative Agent’s Liens on the released UK Tax Credit Collateral (such released UK Tax Credits, the “Excluded UK Tax Credits”).

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Credit Agreement to be duly executed their respective authorized officers as of the day and year first above written.

BORROWER:

1462598 ONTARIO INC. d/b/a TRICON FILMS AND TELEVISION

By: 
 Name: Andrea Gorfolova
 Title: President and Secretary

GUARANTORS:

**OPERATOR POST INC.
 TRICON SOUND INC.
 TRICON EDUCATION INC.
 TRICON FILMS INC.
 TRICON TELEVISION INC.
 TRICON TELEVISION10 INC.
 TRICON TELEVISION28 INC.
 TRICON TELEVISION29 INC.
 TRICON TELEVISION31 INC.
 TRICON TELEVISION33 INC.
 ROCKER MOMS PRODUCTIONS INC.
 TRICON TELEVISION35 INC.
 TRICON TELEVISION37 INC.
 TRICON TELEVISION38 INC.
 TRICON TELEVISION39 INC.
 TRICON TELEVISION40 INC.
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TRICON TELEVISION69 INC.
TRICON TELEVISION70 INC.
TRICON TELEVISION71 INC.
TRICON TELEVISION72 INC.
TRICON TELEVISION73 INC.
TRICON FILMS (UK) LIMITED
TRICON MEDIA HOLDINGS, INC.
TRICON MEDIA PRODUCTIONS, INC.
TRICON MEDIA, INC.

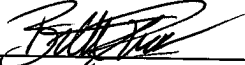
By: 

Name: Andrea Gorfolova

Title: President

ADMINISTRATIVE AGENT AND LENDER:

SUNTRUST BANK
as the Administrative Agent and as a Lender

By:  _____
Name: Brett Ross
Title: Vice President

BORROWING BASE

The Borrowing Base shall, as of any date of determination, be equal to the total of (without double counting for any receivables or prior collections) the following:

- (i) 100% of the amount of any cash held in a Cash Collateral Account pending maturity of a LIBOR Loan period and earmarked for allocation towards repaying the Loans; plus
- (ii) the Receivables Credit; plus
- (iii) 90% of the Acceptable Tax Credits arising out of tax incentive programs offered by Canada or any of its constituent provinces or municipalities; plus
- (iv) 90% of Acceptable Canada Media Fund Grant; minus
- (v) the Interest Reserve Amount; minus
- (vi) the aggregate amount of the Production Cost Reserves; minus
- (vii) the aggregate amount of the Deficit Finance Reserve;

provided, however, that the total outstanding Loans shall not, at any time, exceed US\$15,000,000 (or an amount in Canadian Dollars equal to the U.S. Dollar Equivalent thereof) unless there is an excess in the Borrowing Base of at least ten percent (10%) in the difference of the total amount of all outstanding Loans (after giving effect to the most recent Borrowing) and US\$15,000,000 (i.e., if the total outstanding Loans were US\$16,000,000, the total Borrower Base would have to be equal to or greater than US\$16,100,000).

All components of the Borrowing Base shall be calculated net of any payments owed to any third parties (including without limitation participations and residuals) arising in connection therewith. No credit may be obtained for any item in the Borrowing Base except to the extent that the Administrative Agent holds a first priority perfected security interest subject only to Specified Permitted Encumbrances.

The Administrative Agent is authorized to remove all Borrowing Base credit with respect to a Tax Benefit in the event that, in the good faith determination of the Administrative Agent, the Credit Parties have not caused the production or post-production of the applicable Item of Product to comply in all respects with applicable statute and the related regulatory and interpretive materials and forms that would need to be filed in order to obtain the Tax Benefit (such statute, regulatory and interpretive materials and forms are, collectively, the “Statutory Materials”) giving rise thereto or have not timely filed any and all forms with any governmental, administrative or regulatory body in order to claim the applicable Tax Benefit or have otherwise not timely complied with any of the other commitments or agreements contained within the definition of “Acceptable Tax Credit” relating to “provisional” Acceptable Tax Credits (without the application of any grace or cure period).

“Acceptable Canada Media Fund Grant” shall mean any funds irrevocably committed to an Item of Product (a **“CMF Grant”**), that a Credit Party is entitled to receive from the Canada Media Fund (the **“CMF”**) (discounted to present value, in the case of amounts which are not expected to be received within twelve (12) months following any date of determination, on a quarterly basis by a rate of interest equal to the interest rate in effect on the Alternate Base Rate Loans on the date of the determination), by no later than twelve (12) months following the Maturity Date so long as the following criteria are satisfied:

(a) the Credit Party has (i) entered into a fully executed and effective agreement with the CMF for such Item of Product and that shows the total amount of the CMF Grant, and (ii) executed a notice and direction to the CMF and provided the same to the Administrative Agent, and has received an acknowledgment of such notice and direction from the CMF;

(b) sufficient production activity has occurred with respect to the Item of Product to which such CMF Grant relates within the time periods, if any, required under any agreement between a Credit Party and the CMF with respect to such CMF Grant in order to give rise to such CMF Grant;

(c) the CMF Grant that a Credit Party is entitled (or expected to be entitled) to receive is for these purposes calculated net of any tax, interest, penalty or other amount payable to the CMF or any Governmental Authority by a Credit Party under the Applicable Law, and of any other amount payable by the Credit Party to the CMF or any Governmental Authority to which the CMF Grant can be or has been applied by set-off or in any other manner whatsoever by the CMF or any Governmental Authority;

(d) the amount of the CMF Grant that a Credit Party is entitled or can reasonably be expected to be entitled to receive is net of expenses relating to the filing of the eligibility certificate with the CMF or any Governmental Authority not already incurred at the date of filing of the eligibility certificate with the CMF or other Governmental Authority administering the CMF Grant;

(e) the Administrative Agent (for the benefit of the Secured Parties) has a first priority perfected security interest in the CMF Grant and notice of such security interest has (if required) been provided in accordance with any applicable requirements of the Applicable Law, the CMF, and any other relevant Governmental Authority; and

(f) such other actions or requirements as the Administrative Agent or its counsel may reasonably require;

provided, however, that (i) to the extent that circumstances arise or occur that would cause the actual CMF Grant to be less than the amount that would be determined based on any estimated amounts as set forth on any agreement described in clause (a) of this definition, the Acceptable Canada Media Fund Grant shall be reduced to reflect the revised estimate, and (ii) an Acceptable Canada Media Fund Grant shall cease to be an Acceptable Canada Media Fund Grant (A) if the Credit Party has not filed all certificates, forms and documents required by the CMF or under the applicable legislation to be filed together therewith in order to claim such CMF Grant by any

applicable deadline, or (B) if the CMF or other relevant Governmental Authority has (y) revoked or notified the Credit Party of their intention to revoke or not pay any amount of the CMF Grant or (z) publicly announced that it will not have sufficient appropriations to pay the CMF Grant or that it is terminating the program pursuant to which the CMF Grant is to be paid or modifying the program, in each case, in such a way as would materially decrease the likelihood that the Tax Benefit will be paid in the amount and at the time originally anticipated. For the avoidance of doubt, no amount shall be considered an Acceptable Canada Media Fund Grant unless (1) a Credit Party is the only Person that can claim the CMF Grant, (2) none of the direct or indirect members or partners of the Borrower may claim the CMF Grant and (3) it is a monetary receivable rather than a right to receive a deduction from or credit against taxes otherwise payable.

“**Acceptable Tax Credit**” shall mean the amount of any Tax Benefit that a Credit Party is entitled to or can reasonably be expected to be entitled to receive (discounted to present value, in the case of amounts which are not expected to be received within twelve (12) months following any date of determination, on a quarterly basis by a rate of interest equal to the interest rate in effect on the Alternate Base Rate Loans on the date of the determination), by no later than twelve (12) months following the Maturity Date, as a monetary amount payable pursuant to the tax laws of any State in the United States or any of their municipalities, Canada or any of its constituent provinces or municipalities that are administering tax credit, tax rebate or tax initiative programs acceptable to the Administrative Agent relating to the production of Items of Product in such jurisdiction, so long as the following criteria are satisfied:

(a) the Credit Party has (i) applied for and received an acknowledgement from the appropriate Governmental Authority or, if the jurisdiction offers same, an eligibility certificate in respect of such Tax Benefit for such Item of Product and has requested to be provided with an estimated amount of the Tax Benefit to which the Credit Party will be entitled and (ii) filed all certificates, forms and documents (including the Credit Party’s return of income) required under the applicable legislation to be filed together therewith in order to claim such Tax Benefit by any applicable deadline after the end of its tax year;

(b) sufficient production activity has occurred with respect to the Item of Product to which such Tax Benefit relates within the time periods, if any, required under the Applicable Law with respect to such credit in order to give rise to such credit;

(c) the Tax Benefit that a Credit Party is entitled (or expected to be entitled) to receive is for these purposes calculated net of any tax, interest, penalty or other amount payable to any Governmental Authority by a Credit Party under the Applicable Law, and of any other amount payable by the Credit Party to any Governmental Authority to which the credit can be or has been applied by set-off or in any other manner whatsoever by any Governmental Authority;

(d) the Credit Party has provided the Administrative Agent with an independent accountant’s opinion/review letter in form and substance satisfactory to the Administrative Agent confirming the estimated amount of the Tax Benefit (Andrew Kay is hereby pre-approved to provide such letter(s));

(e) the amount of a refund of tax with respect to a Tax Benefit that a Credit Party is entitled or can reasonably be expected to be entitled to receive is net of expenses relating to the filing of the eligibility certificate with the applicable Governmental Authority not already incurred at the date of filing of the eligibility certificate with the applicable Governmental Authority administering the Tax Benefit;

(f) the Administrative Agent (for the benefit of the Secured Parties) has a first priority perfected security interest in the Tax Benefit and notice of such security interest has (if required) been provided in accordance with any applicable requirements of the Applicable Law and any other relevant Governmental Authority;

(g) if the Tax Benefit is payable in a currency other than U.S. Dollars or Canadian Dollars (except for the amounts allowed pursuant to clause (c) of the definition of “Eligible Receivables”), the Tax Benefit has been contractually hedged in a manner satisfactory to the Administrative Agent or meets the cumulative exposure requirements (including those for marking to market) set forth in clause (c) of the definition of “Eligible Receivables”; and

(h) such other actions or requirements as the Administrative Agent or its counsel may reasonably require;

provided, however, that (i) to the extent that circumstances arise or occur that would cause the actual Tax Benefit to be less than the amount that would be determined based on any estimated amounts as set forth on any applications for any certificate described in clause (a) of this definition, the Acceptable Tax Credit shall be reduced to reflect the revised estimate, (ii) an Acceptable Tax Credit shall cease to be an Acceptable Tax Credit (A) if the Credit Party has not filed its return of income and all other certificates, forms and documents required under the applicable legislation to be filed together therewith in order to claim such Tax Benefit by any applicable deadline after the end of the tax year of such Credit Party, or (B) if the relevant Governmental Authority has (w) denied the Credit Party’s application of the applicable certificate set forth in clause (a) of this definition, (x) not issued the applicable certificate within fifteen (15) months following the Credit Party’s application thereof or (y) revoked or notified the Credit Party of their intention to revoke such certificate or (z) publicly announced that it will not have sufficient appropriations to pay the Tax Benefit or that it is terminating the program pursuant to which the Tax Benefit is to be paid or modifying the program, in each case, in such a way as would materially decrease the likelihood that the Tax Benefit will be paid in the amount and at the time originally anticipated, (iii) from and after any sale by a Credit Party of any Tax Benefit to a third Person, the Tax Benefit may no longer be included as an Acceptable Tax Credit and (iv) the Credit Parties shall have identified the relevant proposed tax program and provided the Administrative Agent with the relevant Statutory Materials for such program by a reasonable time period prior to their expending any sums towards, or otherwise committing to undertake production or post-production work on such Item of Product in, a particular jurisdiction. For the avoidance of doubt, no amount shall be considered an Acceptable Tax Credit, including any “provisional” Tax Benefit described below unless (1) a Credit Party is the only Person that can claim the Tax Benefit, (2) none of the direct or indirect members or partners of the Borrower may claim the Tax Benefit and (3) it is a monetary receivable rather than a right to a receive a deduction from or credit against taxes otherwise payable.

“Interest Reserve Amount” shall mean, as of any date of determination, the amount of interest anticipated to be payable under the Facility within the next six (6) months, as determined by the Borrower, in its reasonable discretion, subject to the reasonable approval of the Administrative Agent.

“Receivables Credit” shall mean the sum (without double counting for any receivables, deductions or prior collections) of the following, whether relating to receivables derived from Pictures or Programs:

- (a) 100% of Eligible Receivables secured by an Acceptable L/C, plus
- (b) 90% of Eligible Receivables from Major Acceptable Obligors, plus
- (c) 80% of Eligible Receivables from Non-Major Acceptable Obligors, plus
- (d) 50% of Eligible Receivables from Minor Acceptable Obligors, plus
- (e) 50% of the following amounts from Other Acceptable Obligors: (x) all net amounts which pursuant to a binding agreement are contractually obligated to be paid to a Credit Party either unconditionally or subject only to the passage of time or customary delivery requirements, and which are reasonably expected by the Borrower to be payable and collected from Acceptable Obligors (or are supported by an Acceptable L/C, cash deposit or other form of credit support acceptable to the Administrative Agent in its sole discretion) minus (y) the sum, without double counting, of the following items (based on the Borrower’s then best estimates): royalties, residuals, fees, commissions, participations and other payments to third parties (including any third party sales agents and any Licensing Intermediaries), collection/distribution expenses and commissions, fulfillment costs, Taxes (including foreign withholding, remittance and similar Taxes) chargeable in respect of such accounts receivable, and any other projected expenses of a Credit Party arising in connection with such amounts and any amounts payable to Co-Financiers;

provided, however, the aggregate amount of Receivables Credit from Other Acceptable Obligors shall not exceed US\$2 million (or the U.S. Dollar Equivalent of Canadian Dollars) and the amount allowed in clause (e) of this definition for any one Other Acceptable Obligor shall not exceed US\$100,000 (or the U.S. Dollar Equivalent of Canadian Dollars).

“Tax Benefit” means any and all tax credits, tax rebates and any other compensation that a Credit Party is entitled to or can reasonably be expected to be entitled to receive as a monetary amount payable (as opposed to a right to receive a deduction from or credit against taxes otherwise payable) pursuant to the tax laws of the United States or Canada or any of their constituent provinces or municipalities acceptable to the Administrative Agent that are administering tax credit, tax rebate or other tax incentive programs relating to the production of any Item of Product in such jurisdiction; provided, that any time prior to ten (10) Business Days from receipt by the Administrative Agent of notice from the Borrower that it is considering undertaking pre-production, production or post-production activity of particular Item of Product in a particular location or jurisdiction in order to qualify for a Tax Benefit, the Administrative Agent may in its good faith discretion by written notice to the Borrower disqualify such tax

credit, rebate or incentive program prospectively from giving rise to a "Tax Benefit" or an "Acceptable Tax Credit" under the Borrowing Base.

ACCEPTABLE OBLIGORS/ALLOWABLE AMOUNTS

[See attached]

Annex B

Acceptable Obligor / Allowable Limits

MAJOR ACCEPTABLE OBLIGORS	Allowable Borrowing Base Limit
21ST CENTURY FOX / NEWS CORP USA	\$2MM
A&E NETWORKS UK	\$2MM
A&E NETWORKS USA	\$3MM
ABC AUSTRALIA	\$2MM
ABC/SBS AUSTRALIA	\$2MM
AETN ALL ASIA NETWORKS	\$2MM
AMC NETWORKS USA	\$3MM
ANIMAX SPAIN	\$2MM
ASIAN FOOD CHANNEL (SCRIPPS)	\$2MM
ASTRAL MEDIA CANADA	\$2MM
BBC WORLDWIDE	\$2MM
BCE BROADCASTING CENTER EUROPE	\$2MM
BEEBIE FILMS DISTRIBUTION CANADA	\$2MM
BELL BROADCAST AND NEW MEDIA FUND	\$2MM
BELL MEDIA CANADA	\$5MM
BET NETWORKS USA	\$2MM
BLINKBOX UK	\$2MM
CANAL ONCE MEXICO	\$2MM
CANAL+ FRANCE	\$2MM
CANAL+ POLAND	\$2MM
CANALPLAY FRANCE	\$2MM
CBC CANADA	\$2MM
CHANNEL 4	\$3MM
CHANNEL 5	\$2MM
CHELLOZONE WORLDWIDE	\$2MM
COMCAST / NBC UNIVERSAL USA	\$2MM
COOKING CHANNEL USA	\$2MM
CORUS ENTERTAINMENT CANADA	\$3MM
CUISINE.TV FRANCE	\$2MM
DISCOVERY COMMUNICATIONS WORLDWIDE	\$2MM
DOCUMENTARY CHANNEL NEW ZEALAND	\$2MM
E1 ENTERTAINMENT GLOBAL	\$2MM
ENDEMOL WORLDWIDE	\$2MM

FOX AUSTRALIA	\$2MM
FOX UK	\$2MM
FOXTEL AUSTRALIA	\$2MM
HBO ASIA	\$2MM
HBO EUROPE	\$2MM
HEARST TELEVISION INC USA	\$2MM
HISTORY CHANNEL IBERIA	\$2MM
HULU USA	\$2MM
iTUNES AUSTRALIA	\$2MM
iTUNES CANADA	\$2MM
ITV UK	\$2MM
KOCH ENTERTAINMENT USA	\$2MM
MADISON SQUARE GARDEN COMPANY USA	\$3MM
MAVTV USA	\$3MM
NATIONAL GEOGRAPHIC WORLDWIDE	\$2MM
NBC UNIVERSAL BENELUX	\$2MM
NBC UNIVERSAL EUROPE/WORLD	\$2MM
NETFLIX CANADA	\$2MM
NETFLIX UK	\$2MM
PARTICIPANT MEDIA USA	\$2MM
PIVOT	\$2MM
PROSIEBENSAT GERMANY	\$2MM
QUEBECOR MEDIA CANADA	\$2MM
RAISAT ITALY	\$2MM
ROGERS COMMUNICATIONS CANADA	\$3MM
RTL GROUP EUROPE	\$2MM
SBS AUSTRALIA	\$2MM
SCRIPPS NETWORKS USA	\$5MM
SHAW MEDIA CANADA	\$5MM
SKY ITALIA	\$2MM
SKY UK	\$3MM
SONY ENTERTAINMENT WORLDWIDE	\$2MM
SPAFAX ANCILLARY	\$2MM
STYLE NETWORK USA	\$2MM
TELE MUNCHEN GERMANY	\$3MM
TF1 FRANCE	\$2MM
THE WALT DISNEY COMPANY USA	\$2MM
TIME WARNER USA	\$2MM

TV1 AUSTRALIA	\$2MM
UKTV UK	\$3MM
VIACOM / CBS CORPORATION USA	\$2MM
VIASAT EUROPE	\$2MM
VIVENDI FRANCE	\$2MM
NON-MAJOR ACCEPTABLE OBLIGORS	Allowable Borrowing Base Limit
AB GROUPE FRANCE	\$1MM
ABS-CBS CORPORATION PHILIPPINES	\$1MM
ANTENA 3 SPAIN	\$1MM
BANIJAY WORLDWIDE	\$1MM
BETA TV GERMANY	\$1.5MM
BEYOND AUSTRALIA	\$1MM
CSC MEDIA GROUP UK	\$1MM
DOUBLE V FRANCE	\$1.5MM
DIGICAST ITALY	\$1MM
GMA NETWORK PHILLIPINES	\$1MM
GLOBOSAT BRAZIL	\$1MM
ION MEDIA NETWORKS USA	\$1MM
NRK NORWAY	\$1MM
NONSTOP SWEDEN	\$1MM
PLANETE THALASSA FRANCE	\$1MM
POLYBAND GERMANY	\$1MM
RHOMBUS MEDIA CANADA	\$1MM
RTL NETHERLANDS (CTL-UFA)	\$1MM
SVT SWEDEN	\$1MM
TELELATINO CANADA	\$1MM
TELEMAISON FRANCE	\$1MM
TV4 SWEDEN	\$1MM
TVNZ NEW ZEALAND	\$1MM
VIVOLTA FRANCE	\$1MM
VMMA BELGIUM	\$1MM
ZDF ENTERPRISES GERMANY	\$1MM
MINOR ACCEPTABLE OBLIGORS	Allowable Borrowing Base Limit
3D THE CHANNEL GERMANY	\$500K
A PICTURES ITALY	\$500K
A-1 ENTERTAINMENT USA	\$500K

ABS HONG KONG	\$500K
ACE ENTERTAINMENT FRANCE	\$500K
ACTION LIBRARY USA	\$500K
AERTV IRELAND	\$500K
AFRICAN BUSINESS CHANNEL	\$500K
AK ENTERTAINMENT SOUTH KOREA	\$500K
ALL RIGHTS ENTERTAINMENT FRANCE	\$500K
ANANEY ISRAEL	\$500K
ANTENA GROUP ROMANIA	\$500K
ANTENNA ENTERTAINMENT MALAYSIA	\$500K
ANTV INDONESIA	\$500K
APT WORLDWIDE	\$500K
ARIGANG SOUTH KOREA	\$500K
ARTE FRANCE	\$500K
ARTEAR ARGENTINA	\$500K
A-TEAM MEDIA ANCILLARY	\$500K
ATLANTIC FILM SWEDEN	\$500K
ATV TURKEY	\$500K
AVALON BELGIUM	\$500K
AVJET: EVA AIRWAYS TAIWAN	\$500K
B360 MEDIA	\$500K
BABY TV UK	\$500K
BANGER FILMS CANADA	\$500K
BASE79 UK	\$500K
BELLUM ENTERTAINMENT	\$500K
BEYOND AUSTRALIA	\$500K
BIB (BODY IN BALANCE) UK	\$500K
BOX DISTRIBUTION FRANCE	\$500K
BRAND NEW MEDIA SINGAPORE	\$500K
C.A.T.V. ISRAEL	\$500K
CCTV DOC CHINA	\$500K
CHANNEL A SOUTH KOREA	\$500K
CHANNEL ONE RUSSIA	\$500K
CINEART BELGIUM	\$500K
CINEPLEX COMPANY THAILAND	\$500K
CJ MEDIA SOUTH KOREA	\$500K
CONCEPTUAL FILMS CANADA	\$500K
COPTOR PRODUCTIONS CHINA	\$500K

DIGITURK TURKEY	\$500K
EAGLE ROCK ENTERTAINMENT UK	\$500K
EBC TAIWAN	\$500K
EBRU TV WORLDWIDE	\$500K
FIRST HDTV RUSSIA	\$500K
HSM ARGENTINA	\$500K
I-CABLE HONG KONG	\$500K
IMUSIC TV GERMANY	\$500K
IZI MEDIA GROUP MALAYSIA	\$500K
KAVALEER PRODUCTIONS IRELAND	\$500K
KCS EUROPE/INVESTACOMMERCE AG	\$500K
LANDMARK MEDIA USA	\$500K
LENS MEDIA CHINA	\$500K
LI TV MALAYSIA	\$500K
MACTV SCOTLAND	\$500K
MBN	\$500K
MEDIA INTERNATIONAL LATIN AMERICA	\$500K
MNET AFRICA	\$500K
MTV EUROPE	\$500K
NAXOS KOREA	\$500K
NDTV INDIA	\$500K
NetNY USA	\$500K
NEW VIDEO GROUP USA	\$500K
NINEPLANNERS KOREA	\$500K
NOGA ISRAEL	\$500K
OCEAN ENTERTAINMENT LTD. CANADA	\$500K
ONET POLAND	\$500K
ORIGO HUNGARY	\$500K
POLSAT POLAND	\$500K
PRAMER TV LATIN AMERICA	\$500K
PRESS TV WORLDWIDE	\$500K
PULSTV POLAND	\$500K
PYRAMID ENTERTAINMENT KUWAIT	\$500K
RED MEDIA RUSSIA / RUSSIAN NIGHTS	\$500K
RSI SWITZERLAND	\$500K
RUSSIAN REPORT	\$500K
SANOMA ENTERTAINMENT FINLAND	\$500K
SERDY GROUP CANADA	\$500K
SIDETICK TV	\$500K

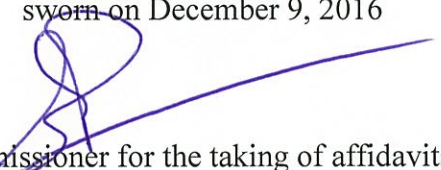
SINEMA TV TURKEY	\$500K
SPI INTERNATIONAL	\$500K
STORNOWAY	\$500K
STUDIO U7 LIECHTENSTEIN	\$500K
SUN CHANNEL VENEZUELA	\$500K
TELEWIZJA POLAND	\$500K
THE LIVING CHANNEL NEW ZEALAND	\$500K
TRUE VISIONS THAILAND	\$500K
TV3 RUSSIA	\$500K
VERITE FILMS CANADA	\$500K
ZESTE DIFFUSION QUEBEC	\$500K

ACCEPTABLE EQUITY PROVIDERS

Alta Communications
Artis Capital Management
Avista Capital Holdings
Bertelsmann SE & Co. KGaA
Brentwood Associates
Canal +
Catterton Partners
Chernin
Clarion Capital Partners
Columbia Capital
Core/Apollo
Ellis Lake Capital
Eos Partners
Eyeworks Holding B.V.
Fifth Street Capital
Fuji
GF Capital
Halyard Capital
HBO
Highbridge Capital Management
HM Capital Partners
ITV
Lagardere
Left Field Pictures
Legendary
Marwit Capital
MGMTV
MidOcean
Nautic Partners
Oaktree
Observer Capital
Palladium Equity Partners
Pamlico Capital
Paramount
Primavera Capital
Red Arrow
Riverside Capital
Rizvi Traverse
Seaport Capital
Searchlight
Shamrock
Shine
Spectrum Equity Investors

Spire Capital Partners
Syco
Tinopolis
Towerbrook
Tyler Zachem
Veronis Suhler Stevenson
Wayfare Entertainment
Wicks
Zelnick Media

This is Exhibit "G" to the Affidavit of Andrea Gorfolova
sworn on December 9, 2016



A Commissioner for the taking of affidavits, etc.

FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT (“Agreement”) made effective as of August 19, 2015, by and among **SUNTRUST BANK**, a Georgia banking corporation, as administrative agent and lender (“**Lender**”), having an office at 200 S. Orange Avenue, Orlando, Florida, **1462598 Ontario Inc. d/b/a Tricon Films and Television**, a corporation incorporated under the laws of the Province of Ontario, Canada (“**Borrower**”), and the guarantors referred to herein (collectively, “**Guarantors**”) (collectively, Borrower and Guarantors are referred to herein as “**Credit Parties**”).

RECITALS

This Forbearance Agreement is based upon the following recitals:

A. Borrower is indebted to Lender on advances (the “**Loan**”) made pursuant to various loan documents, including, but not limited to, the following:

(1) that certain Revolving Credit, Security, Guaranty and Pledge Agreement dated as of August 22, 2013 among Borrower, Guarantors, and Lender, which provides for, *inter alia*, the grant of first priority security interest in the Collateral as defined there in, the guaranty of the Loan by Guarantors who are comprised of all affiliates and subsidiaries of Borrower¹, and the pledge of certain securities to secure the indebtedness;

(2) that certain Note in the original principal amount of \$20,000,000.00, dated as of August 22, 2013 executed by Borrower as maker and payable to Lender (as may be amended, restated or modified from time to time, the “**Note**”);

(3) that certain Copyright Security Agreement dated August 22, 2013, executed by Credit Parties in favor of Lender and granting a first priority security interest in all of the Credit Parties’ right, title and interest in and to all personal property, tangible and intangible, wherever located or situated and whether then owned, then-existing or thereafter acquired or created, including but not limited to all goods, accounts, instruments, intercompany obligations, contract rights, general intangibles, equipment, machinery, inventory, copyrights, trademarks, tradenames, and all other property described therein.;

(4) that certain Amendment No. 1 and Waiver dated July 29, 2014 among Borrower, Guarantors and Lender, amending certain provisions of the Credit Agreement;

(5) that certain Amendment No. 2 dated October 28, 2014 among Borrower, Guarantors and Lender, further amending certain provisions of the Credit Agreement.

¹ The then-existing subsidiaries and affiliates are identified on Exhibit A hereto. The terms Guarantors and Credit Parties include all current and future-existing subsidiaries and affiliates of Borrower.

The documents described in Paragraph A above, together with any and all other documents executed in connection with or in support of the above-described Loan, and any other documents executed in connection with this Agreement including all modifications and amendments thereto, are hereinafter referred to as the “**Loan Documents.**”

B. Borrower is in default under the Loan Documents for, *inter alia*, failure by Borrower to comply with (1) the Fixed Charge Coverage covenant as of August 31, 2014, November 30, 2014 and February 28, 2015; (2) the Minimum Consolidated EBITDA as of August 31, 2014, November 30, 2014 and February 28, 2015; (3) the minimum Liquidity Ratio as of February 28, 2015; and (4) the borrowing base limits of the Loan. In addition, Borrower’s grant of a security interest in SunTrust’s collateral to IFC was an additional default under the terms of the Loan. Collectively, these failures and actions are “**Events of Default**” under the Loan.

C. As a result, Lender has notified Borrower and Guarantors of the Events of Default and Borrower and Guarantors agree that they are in default as provided above.

D. Borrower and Guarantors have requested Lender to enter into this Agreement and Lender has agreed only on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the above recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby mutually acknowledged, Lender, Borrower and Guarantors, intending to be legally bound, do hereby agree as follows:

ARTICLE ONE GENERAL TERMS

Section 1.01 **Affirmation of Recitals.** The foregoing recitals set forth above are true and correct and are incorporated herein by this reference.

Section 1.02 **Defined Terms.** For purposes of this Agreement, if the context so requires, the singular includes the plural, the plural includes the singular, and the gender shall be adjusted to the proper gender for the particular person. The terms “herein” and “hereof” shall refer to this Agreement in its entirety and shall not be limited in context to the provision in which such words are located. Terms not otherwise defined herein shall have the same meanings as set forth in the Loan Documents.

ARTICLE TWO ACKNOWLEDGEMENT OF DEFAULT AND INDEBTEDNESS

Section 2.01 **Acknowledgement of Default.** Borrower and Guarantors acknowledge that they are in material default of their obligations to Lender under the Loan Documents and that they are currently unable to cure the existing Events of Default.

Section 2.02 **Acknowledgement of Indebtedness by Borrower and Guarantors.** Borrower and Guarantors acknowledge that the following balance is owed by them to Lender through August 7, 2015 on the Loan:

Loan # 21392346-18

Principal	\$6,341,495.77
Interest	\$67,490.28
Total	\$6,408,986.05

Accruing interest after August 7, 2015 at the rate of \$825.54 per diem.

Loan # 21392346-59

Principal	\$4,853,531.47
Interest	\$11,220.83
Total	\$4,864,752.30

Accruing interest after August 7, 2015 at the rate of \$623.38 per diem.

Loan # 21392346-83

Principal	\$191,717.79
Interest	\$369.79
Total	\$192,087.58

Accruing interest after August 7, 2015 at the rate of \$24.65 per diem.

The above total amounts, together with interest accruing at the above-stated per diem rates, plus additional costs and attorneys' fees incurred by the Lender, are referred to herein as the "**Indebtedness**". Lender has not waived or forgiven any interest, principal, late charges or other amounts due, owing or outstanding under the Loan and Borrower and Guarantors agree that the full amount of the Indebtedness remains due and owing to Lender.

Section 2.03 **No Defenses; Waiver**. Borrower and Guarantors agree and acknowledge that, as of the date of this Agreement, they have no claims, defenses, offsets, recoupments or counterclaims to the enforcement of any of their obligations to Lender under the Loan Documents or to the enforceability of the Loan Documents in accordance with their terms as modified by this Agreement. To the extent such claims, defenses, offsets, recoupments or counterclaims exist as of the date of this Agreement, they are hereby waived and released by Borrower and Guarantors in consideration of Lender's execution of this Agreement. Borrower has duly authorized, executed and delivered this Agreement and Borrower and Guarantors acknowledge that the Loan Documents are valid and enforceable in accordance with their terms against Borrower and Guarantors.

Section 2.04 **Reaffirmation and Ratification; Validity of Loan Documents.** Borrower and Guarantors acknowledge and agree that the Loan Documents shall remain in full force and effect and are binding upon and enforceable against Borrower and Guarantor, and all of the terms and provisions of the Loan Documents, as herein modified, are hereby ratified and reaffirmed, and enforceable without condition in accordance with their terms. Guarantors have entered into this Agreement to consent to the terms hereof and to ratify and confirm their obligations to guaranty the Loan pursuant to the terms of the Guaranties.

ARTICLE THREE LENDER'S FORBEARANCE

Section 3.01 **Forbearance.** Provided that Borrower and Guarantors comply with the terms of this Agreement and subject to the terms and conditions contained herein, Lender agrees not to exercise its remedies under the Loan Documents to collect the Indebtedness for the period (the "**Forbearance Period**") from the date of this Agreement through October 31, 2015 (the "**Termination Date**"). Except as otherwise specifically provided herein, nothing contained in this Agreement shall be deemed a consent by Lender to subordinate financing or security interests in its Collateral without Lender's prior written consent.

Section 3.02 **Termination.** On the Termination Date, or following the occurrence of any default under this Agreement, or any default under the Loan Documents other than the existing Event of Default, Lender may, at its option: (i) terminate its obligation to forbear as contained in Section 3.01 hereof without notice or demand; (ii) increase the rate of interest accruing under the Notes to the default rate of the Notes; (iii) file any suit against the Borrower and/or Guarantors for any and all relief to which Lender may be entitled at law or in equity; (iv) terminate all or any portion of this Agreement and/or (v) pursue any other remedies available to Lender, including all remedies against the Guarantors. If not sooner terminated, Lender's obligation to forbear in exercising its remedies under the Loan Documents shall terminate automatically and without notice to or action by any party on the Termination Date.

Section 3.03 **Conditions of Forbearance; Borrower's Obligations.** In addition to the other conditions set forth in this Agreement, Lender's forbearance is conditioned upon the following:

- A. Borrower will make all monthly payments to Lender during the Forbearance Period as required under the Loan Documents.
- B. The Maturity Date for the Loan will be October 31, 2015. Borrower and Guarantors agree to execute such documents as may be necessary to modify the Maturity Date, including but not limited to a Note Modification Agreement or Renewal Note in a form provided by Lender.
- C. The maximum loan commitment under the Loan will be reduced to \$15,000,000.00.
- D. The applicable margin on the Loan will be increased from 4.5% to 5%.

- E. On or before August 31, 2015, Borrower shall cure any under-payment of interest related to the temporary error in booking Amendment No. 2.
- F. The financial covenants provided for in Section 6 of the Credit Agreement are modified as follows:
 - a. Minimum Consolidated EBITDA (Section 6.26): Borrower will not and will not allow any other Credit Party to permit a Minimum Consolidated EBITDA to be less than CDN \$1,250,000.00 for the 12 month period ended May 31, 2015 and not less than CDN \$1,500,000.00 for the 12 month period ended August 31, 2015. For purposes of this calculation, Consolidated EBITDA shall exclude unrealized foreign exchange gains and losses;
 - b. Fixed Charges Coverage Ratio (Section 6.25): Borrower will not and will not allow any other Credit Party to permit the ratio of (i) Consolidated EBITDA (as revised in Section 3.03(E)(a) above) to (ii) Fixed Charges to be less than 1.10:1.00 for the 12 month period ended May 31, 2015 and not less than 1.25:1.00 for the 12 month period ended August 31, 2015; and
 - c. Liquidity Ratio (Section 5.1(f)): Beginning on September 20, 2015 for the period ended August 31, 2015 and subsequently sixty (60) days after the end of each fiscal quarter beginning with the quarter ended November 30, 2015, Borrower shall provide Lender with a Liquidity Certificate signed by an Authorized Officer of Borrower demonstrating a Liquidity Ratio (as defined in the Credit Agreement) of at least 1.0:1.0.
- G. Credit Parties agree to provide the following additional quarterly reports within twenty (20) days after the end of each quarter beginning with the quarter ended August 31, 2015:
 - a. Quarterly Cash Flow Reports
 - b. Quarterly Production Reports: a quarterly report showing what programs (1) are in development, (2) are in production, (3) have been registered for applicable copyright, and (4) have been delivered and accepted by a licensee.
 - c. Quarterly Tax Credit and Other Income Statements: a quarterly statement tracking payments from governmental authorities for Tax Credits and other incentive payments, together with information regarding other income, such as foreign distribution of TV programs or other exploitation.
 - d. Quarterly Statement of Tricon Entities: a quarterly statement regarding the status of amalgamations and new entity formation.

- H. The over-advance under the Borrowing Base shall not exceed \$400,000.00 during the Forbearance Period. The Library Advance Rate will be frozen at thirty percent (30%) during the Forbearance Period.
- I. Borrower shall submit to Lender all monthly Borrowing Base Certificates within twenty (20) days of the end of the applicable month. Unless otherwise provided herein, all quarterly financial statements and covenant compliance calculations and certificates shall be provided by Borrower to Lender within sixty (60) days of the end of the applicable quarter. Current personal financial statements and the most recent tax return of Andrea Gorfolova shall be submitted to Lender within twenty (20) days of the execution of this Agreement. All other documentation or information which Lender may reasonably request of Credit Parties shall be provided within five (5) days of such request.
- J. All subsidiaries of Borrower which are currently in existence, including those which were not in existence at the time of the execution of the Credit Agreement and excluding those which were amalgamated into Tricon Television Inc. on June 1, 2015, will execute a Joinder of Guarantor, acknowledging that they understand and agree to the terms of the Credit Agreement, this Agreement and all other Loan Documents and agree to the terms of the Guaranty provided therein.
- K. No later than October 31, 2015, and as required by Section 5.19 and 6.19 of the Credit Agreement, Credit Parties shall ensure that each subsidiary which was formed subsequent to the execution of the Credit Agreement deliver to Lender an executed Instrument of Assumption and Joinder (Exhibit I to Credit Agreement) together with all other documents required by those sections of the Credit Agreement.
- L. Prior to the commencement of operations of any new subsidiary, Credit Parties shall ensure that each such subsidiary formed after the execution of this Agreement shall deliver to Lender an executed Instrument of Assumption and Joinder (Exhibit I to Credit Agreement) together with all other documents required by those sections of the Credit Agreement.
- M. Credit Parties agree that the applicable copyright registration (either U.S. or Canada) for all programs owned by Credit Parties (the "Library") shall be filed on the following schedule:
 - a. for all such programs in production or for which production was complete within the last two (2) years, not later than August 31, 2015;
 - b. for all other programs included in the Library Valuation Report dated March 31, 2014, not later than October 31, 2015; and

- c. for all future programs to be produced, within twenty (20) days of the earliest date on which registration is permitted.
- N. Credit Parties agree to cooperate with Lender and execute and any all documents necessary to perfect Lender's security interest in the Library, including future programs, and in all other assets currently securing or intended to secure the Loan. Credit Parties shall provide Lender with a copy of each copyright registration together with a completed Supplement to the Copyright Security Agreement (Exhibit C-2 to the Credit Agreement) within ten (10) days following such filing with the appropriate copyright office, so that Lender can file the Supplement with the appropriate copyright office.
- O. In the event Borrower and/or Guarantors default under any existing loan from any other lender or creditor and fail to cure such default within sixty (60) days, such other default will constitute a default under this Agreement.
- P. Andrea Gorfolova shall execute a Limited Personal Guaranty, in the form attached hereto as Exhibit B, pursuant to which she will agree to guaranty the obligations of Borrower under this Agreement, the Credit Agreement and the Loan Documents, up to \$1,000,000.00 plus attorneys' fees and costs.
- Q. During the Forbearance Period, Borrower shall not declare or make, or agree to pay or make, directly or indirectly, any distributions in any form to subsidiaries, affiliates, officers directors or shareholders and shall not declare or make, or agree to pay or make, directly or indirectly, any cash dividend on any class of its stock (except as required to settle income tax liability if applicable). In addition, Borrower shall be prohibited from repaying shareholder debt or advancing any funds to principals or shareholders. In addition, salaries for principals and officers shall not be increased without written consent of Lender.
- R. Upon execution of this Agreement and as a condition precedent to its effectiveness, Borrower shall pay to Lender all of Lender's costs, expenses and fees including attorneys' fees associated the default, forbearance and modification, including but not limited to, fees for the review of Loan Documents, the preparation of documents and closing of this Agreement and the preparation of any modification in conjunction therewith.
- S. Upon execution of this Agreement and as a condition precedent to its effectiveness, Borrower shall pay to Lender a forbearance fee in the amount of \$75,000.00.
- T. Any and all related or insider debt shall be subordinated to Lender. In the event such debt has already been subordinated, the creditor shall reaffirm

such subordination. Payments on subordinated debt is prohibited during the Forbearance Period.

ARTICLE FOUR DEFAULTS; NO WAIVER

Section 4.01 **Defaults.** The occurrence of any one or more of the following shall constitute a default under this Agreement: (i) the untruth of any representation or warranty contained in this Agreement, or the existence of a misrepresentation of any material fact or fraud contained in any document or information heretofore or hereafter submitted or communicated to Lender in support of this Agreement; (ii) breach or violation of any term, covenant, or condition contained in this Agreement, including, without limitation, the failure of Borrower, or their officers, agents, employees or legal representatives to ensure Lender's timely receipt of all payments due under this Agreement; or (iii) any default under any of the Loan Documents other than those described in the Recitals above.

Section 4.02 **No Waiver of Remedies.** Lender expressly reserves any and all rights and remedies available to it under this Agreement, the Loan Documents, and/or at law or in equity in the event either Borrower defaults under this Agreement or if this Agreement terminates. No failure to exercise, or delay by Lender in exercising, any right, power or privilege hereunder shall preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. The rights and remedies provided in this Agreement and the Loan Documents are cumulative and not exclusive of each other or of any right or remedy provided by law or in equity. Except as otherwise expressly provided in the Loan Documents, no notice to or demand upon Borrower in any instance shall, in itself, entitle Borrower to any other or further notice or demand in similar or other circumstances or constitute a waiver of the right of Lender to any other or further action in any circumstance without notice or demand.

ARTICLE FIVE RELEASE

Section 5.01 **Release.** As additional consideration for Lender entering into this Agreement, Borrower and Guarantors hereby fully and unconditionally release and forever discharge Lender, its agents, servants, employees, directors, officers, attorneys, affiliates, subsidiaries, successors and assigns and all persons, firms, corporations, and organizations acting on its behalf of and from all damage, loss, claims, demands, liabilities, obligations, actions and causes of action whatsoever which Borrower and Guarantors may now have or claim to have against Lender as of the date of this Agreement, whether presently known or unknown, and of every nature and extent whatsoever on account of or in any way affecting, concerning, arising out of, related to or founded upon the Loan Documents, including but not limited to, all such loss or damage of any kind heretofore sustained, or that may arise as a consequence of the dealings or communications between the parties up to and including the date of this Agreement.

**ARTICLE SIX
BANKRUPTCY**

Section 6.01 **Bankruptcy; Relief From Stay**. In consideration of the mutual covenants contained in this Agreement, and other good and valuable consideration, including Lender's consent to the financial accommodations in this Agreement, the Borrower hereby covenants and agrees that in the event Borrower:

(a) shall file with any bankruptcy court or be the subject of any petition under Title 11 of the United States Code, as amended (the "Code"); or

(b) shall file or be the subject of any petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state law or act relating to bankruptcy, insolvency or other relief for debtors; or

(c) shall file or consent to or acquiesce in the appointment of any trustee, receiver, conservator or liquidator; or

(d) shall be the subject of any order, judgment or decree entered by any court approving a petition filed against any of them for any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state law or act relating to bankruptcy, insolvency or other relief for debtors; then

Lender shall thereupon be entitled to seek immediate relief from any injunction imposed under Section 105 of the Code and any automatic stay imposed by Section 362 of the Code, or otherwise, on or against the exercise of the rights and remedies otherwise available to it as provided in this Agreement and the documents or as otherwise provided by law to commence and complete replevin and/or foreclosure of its security and/or other interests in all or any part of the Collateral, to conduct and complete the sale thereof, and to either purchase itself or sell the Collateral to third parties under the provisions of the Loan Documents and according to applicable non-bankruptcy law, and to take any other action permitted under this Agreement or the documents, and applicable non-bankruptcy law, and they hereby irrevocably waive their rights to object to such relief.

Lender shall thereupon be entitled to immediately file in the bankruptcy case a motion, in the name of the bankrupt Borrower and Lender for approval by the bankruptcy court of this Agreement consenting to such relief. The Lender has undertaken significant risk by agreeing to forbear from exercising legal remedies available to it for a lengthy period of time in exchange for the agreements, covenants, representations and warranties of Borrower as contained herein and Lender would not have entered into this Agreement but for such agreements, covenants, representations and warranties, all of which have been offered and accepted by the Lender in good faith. Borrower acknowledge, represent and warrant that they have obtained experienced bankruptcy counsel to review this Agreement and have been advised

of the ramifications and effects this Agreement will have on Borrower' rights in the event either Borrower files for bankruptcy.

ARTICLE SEVEN MISCELLANEOUS

Section 7.01 **Expenses, Attorneys' Fees.** In the event any dispute shall arise concerning the subject matter of this Agreement, Lender shall be entitled to recover from Borrower and Guarantors its reasonable attorneys' fees (for outside counsel) and costs incurred at all trial, appellate and bankruptcy cases or proceedings. The rights and remedies of Lender contained in this paragraph shall be in addition to, and not in lieu of, the rights and remedies contained in the Loan Documents and as otherwise provided by law.

Section 7.02 **Governing Law, Jurisdiction.** This Agreement shall be construed in accordance with the laws of the State of New York without regard to its conflict of laws principles. Borrower and Guarantors hereby submit to personal jurisdiction in the State of New York for the enforcement of the parties' respective obligations hereunder, and waives any personal rights under the law of any other state to object to jurisdiction in New York.

Section 7.03 **No Additional Debt.** Except as otherwise provided herein, Credit Parties agree that, during the Forbearance Period, they will not cause or permit to be incurred any new indebtedness in excess of \$100,000.00 (in the aggregate) after the date hereof (other than in favor of Lender) without the written consent of Lender. This provision shall not prohibit Gorfolova from refinancing personal debt and shall not prohibit the Credit Parties from refinancing the loan.

Section 7.04 **No Modification of Existing Debt.** Credit Parties agree that, during the Forbearance Period, they shall not alter, amend, or modify any loan documents currently in existence with any creditor without the prior written consent of Lender.

Section 7.05 **Construction.** This Agreement shall not be construed more strictly against Lender merely by virtue of the fact that the same has been prepared by Lender or its counsel, it being recognized that Borrower and Lender have contributed substantially and materially to the preparation of this Agreement, and Borrower and Lender acknowledge and waive any claim contesting the existence and the adequacy of the consideration given by the other party hereto in entering into this Agreement.

Section 7.06 **Review by Counsel.** Borrower and Guarantors represent and acknowledge that they (a) understand fully the terms of this Agreement and the consequences of the execution and delivery of this Agreement; (b) have been afforded an opportunity to have this Agreement and the documents executed in connection herewith, reviewed by and to discuss this Agreement and the documents executed in connection herewith with such attorneys and other person as Borrower and Guarantors may wish and (c) have entered into this Agreement and executed and delivered all loan documents in connection herewith of their own free will and accord and without threat, duress, or other coercion of any kind by any person.

Section 7.07 **Entire Agreement.** Borrower and Lender acknowledge that there are no other agreements or representations, either oral or written, express or implied, not embodied in

this Agreement and the Loan Documents, which, together, represent a complete integration of all prior and contemporaneous agreements and understandings of Borrower, Guarantors and Lender, and the provisions of the Loan Documents are hereby ratified and confirmed. Any prior forbearance agreement is hereby terminated.

Section 7.08 **Benefit**. Except as provided herein, this Agreement shall be binding upon and shall inure to the benefit of Borrower, Guarantors and Lender, and their respective successors and assigns.

Section 7.09 **Priority of Security Interest and Loan Documents**. All of the Collateral shall remain in all respects subject to the lien, charge and encumbrance of the Loan Documents, and, unless specifically provided herein, nothing done pursuant to this Agreement hereto shall affect the lien, charge or encumbrance of the Loan Documents or the priority thereof with respect to other liens, charges, encumbrances or conveyances.

Section 7.10 **Consent to Agreement**. Borrower and Guarantors acknowledge that they have thoroughly read and reviewed the terms and provisions of this Agreement and are familiar with same; that they clearly understand the terms and provisions contained herein and have fully and unconditionally consented to such terms; that they have had full benefit and advice of counsel of their own selection (or the opportunity to obtain the benefit and advice of counsel of their own selection) in regard to understanding the terms, meaning and effect of this Agreement; that they have entered into this Agreement freely, voluntarily, with full knowledge, and without duress; that in executing this Agreement they have not relied on any representations, either written or oral, express or implied, made to Borrower or Guarantors by any other party hereto, including, but not limited to, representations or assurances that Lender will extend the Termination Date; and that the consideration received by Borrower hereunder has been actual and adequate.

Section 7.11 **Counterparts**. It is understood and agreed that this Agreement may be executed in several counterparts, each of which shall, for all purposes, be deemed an original and all of such counterparts, taken together, shall constitute one and the same Agreement, even though all of the parties hereto may not have executed the same counterpart of this Agreement.

Section 7.12 **Lender Not Liable For Expenses**. Nothing in this Agreement shall be intended or construed to hold Lender liable or responsible for any expenses, disbursement, liability or obligation of any kind or nature whatsoever, including but not limited to, wages, salaries, payroll taxes, deposits, withholding, benefits, fees, charges, commissions, expenses or other amounts payable to or on behalf of Borrower.

Section 7.13 **Borrower Remain in Control**. Borrower and Lender agree that Borrower shall remain in control of Borrower' business and that the Borrower shall determine the business plan for, and employment, management and operating directions and decisions for its business.

Section 7.14 **Miscellaneous**. This Agreement is made for the sole protection of Lender and Borrower and their respective successors and assigns. No other person shall have any right whatsoever hereunder. Notices to parties hereunder may be given to them at the addresses and in the manner provided in the Loan Documents. Time shall be of the strictest essence in the

performance of each and every one of the Borrower's obligations hereunder. If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions shall remain in effect without impairment.

Section 7.15 **Agreement Not a Novation.** This Agreement is not intended by the parties to be a novation of the Loan Documents. The parties agree that except as expressly modified herein, all terms, conditions, rights and obligations under the Loan Documents are hereby reaffirmed and shall otherwise remain in full force and effect as originally written and agreed.

Section 7.16 **Rights are Cumulative.** The Loan Documents, this Agreement, and any other agreement to be entered into in connection herewith shall be construed to give Lender the greatest possible cumulative rights and remedies; should there be any apparent conflict between the Loan Documents, this Agreement, or any other agreement entered into in connection herewith, this principal of construction shall apply. In addition, in the event of any apparent conflict or ambiguity between the Loan Documents, this Agreement, or any other agreement entered into in connection herewith, the terms, provisions and intent of this Agreement shall govern.

Section 7.17 **Forbearance Not Reinstatement.** The receipt of payments and the agreement for acceptance of such payments, hereunder, by Lender shall not be deemed a reinstatement of the notes which reflect the Indebtedness or a waiver of any existing default. Receipt of Lender of payments hereunder is solely a condition to forbearance by Lender. It is specifically agreed between Borrower and Lender, that upon any default under this Forbearance Agreement, Lender shall be entitled to exercise any and all remedies available to it in law and equity, including but not limited to foreclosure, receivership or specific performance.

Section 7.18 **Amendments, etc.** No amendment, modification, termination or waiver of any provision of this Agreement or the documents nor consent to any departure from the terms hereof or thereof, shall in any event be effective unless the same shall be in writing and signed by the party against whom enforcement of the amendment, modification, termination, or waiver is sought. By entering into this Agreement, Lender does not waive any existing defaults under the Loan Documents.

Section 7.19 **Insurance.** Borrower and Guarantors shall continue in full force and effect all policies of insurance required by the Loan Documents and to fully insure the Collateral.

Section 7.20 **Organization, Corporate Powers, etc.** The Parties hereby represent and warrant each other that they are duly organized, validly existing, and in good standing under the laws of the jurisdictions in which they are formed and that they have all requisite power and authority, corporate or otherwise, to make, enter into and perform this Agreement.

Section 7.21 **Authorization to Make Agreement.** Lender, Borrower and Guarantors warrant to each other that the execution, delivery and performance of this Agreement has been:

- (a) duly authorized by the requisite company or other required action; and

(b) will not violate any provision of law, governmental rule or regulation, order of court or other governmental agency, their articles of organization, operating agreement, or any provision of any indenture, agreement or other instrument to which they are a party.

Section 7.22 **No Joint Venture.** Neither the execution or performance of this Agreement is intended to be nor shall it be construed to be the formation of a joint venture between Lender and any of the other parties hereto.

Section 7.23 **Cooperation.** Prior to and at all times following the execution and delivery of this Agreement the parties hereto shall cooperate fully with one another to effectuate the intent of this Agreement, including by executing and delivering any instrument reasonably requested by any party to fulfill the terms of this Agreement. Such instruments shall include, without limitations, any additional documents deemed necessary or desirable by Lender to evidence, preserve, protect and perfect its interests in the Collateral and estoppels from Lender confirming the amount required to pay off the loans and to subordinate or release the liens on the Collateral as provided herein.

Section 7.24 **Waiver of Trial by Jury.** Borrower, Lender, and Guarantors hereby knowingly, voluntarily and intentionally waive the right they may have to a trial by jury in respect of any litigation based hereon, or arising out of, under or in connection with this instrument, the Note or any other Loan Documents and any document contemplated to be executed in conjunction herewith, or any course of conduct, course of dealing, statement (whether verbal or written) or actions of either party. Except as prohibited by law, neither Borrower, Guarantors nor Lender shall seek a jury trial on any lawsuits, proceeding, a counterclaim based upon, or arising out of the Note, the collateral secured hereby or the relationship between the Borrower, Guarantors and Lender. If the subject matter of any such lawsuit is one in which the waiver of a jury trial is prohibited, neither the Borrower, Guarantors nor Lender shall present a non-compulsory counterclaim in such a lawsuit any claim arising out of this Loan. Furthermore, neither the Borrower, Guarantors nor Lender shall seek to consolidate any such action in which a jury trial has been waived, with any such action in which a jury trial cannot be waived. This provision is a material inducement for the Lender to modify this Loan.

Section 7.25 **Representations and Warranties.** The representations and warranties set forth in the Loan Documents and this Agreement are true and correct on and as of the date hereof.

Section 7.26 **Arms Length Transaction.** The parties hereto acknowledge that the terms of this Agreement were negotiated at arm's length, and that each party, being represented by counsel, has acted to protect its own self interest.

Section 7.27 **Headings.** The headings in this Agreement are intended to be for convenience of reference only, and shall not define or limit the scope, extent or intent or otherwise affect the meaning of any portion hereof.

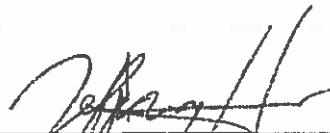
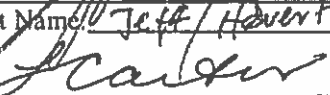
Section 7.28 **Documentary Stamp Taxes.** If Lender or the Florida Department of Revenue ("DOR"), or any other governmental agency should determine at any time that

documentary stamp, intangible or other taxes may be required in connection with the Loan Documents, this Agreement or any assumption, modification, renewal or consolidation thereof, Borrower does hereby agree to pay the tax and any penalty and interest to Lender within five (5) days after demand is made by Lender or DOR. Borrower does hereby indemnify and agree to reimburse Lender immediately for the costs of any such additional documentary stamp, intangible or other taxes, together with any interest or penalty that Lender may be called upon to pay. If Borrower fails to pay such additional taxes, such failure shall constitute an event of default and, Lender, in its sole and undisputed discretion, may pay such taxes, interest and penalties without waiving or affecting any of Lender's other rights and remedies set forth in the Loan Documents. Any such disbursements made by Lender shall bear interest from the date thereof at the highest rate authorized by law, and the Collateral securing the Note shall secure repayment of any such disbursement, together with interest accrued thereon. Lender shall have the right, at its option and without notice to Borrower, to setoff any such disbursements paid by Lender against any assets of Borrower deposited with Lender. Lender shall also have the right to add all such sums to the amounts due under the Note and require payment of same at maturity or at such time as Borrower makes a partial or full prepayment of the Note.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto in manner and form sufficient to bind them, as of the day and year first above written.

[SIGNATURES ON FOLLOWING PAGE]

TWO WITNESSES:


 Print Name: Jeff Havert

 Print Name: LINDA CARTER

Print Name: _____

Print Name: _____

BORROWER:

1462598 Ontario Inc. d/b/a Tricon
 Films and Television, a corporation
 Incorporated under the laws of Ontario,
 Canada

By: 
 Name: Andrea Gopfolova
 Title: President and Secretary

LENDER:

SUNTRUST BANK, a Georgia
 banking corporation

By: _____
 Name: _____
 Title: _____

**AFFIRMATION, JOINDER AND
CONSENT OF GUARANTORS**

The undersigned, constituting the Guarantors of the Note referred to hereinabove do hereby and herewith reaffirm their guaranties of any obligations owed to the Lender by the Borrower (whether under the Note or otherwise) and, further, consent to and join in the Note Modification Agreement and its terms and conditions for the purposes as set forth hereinabove.

Dated as of the 19th day of August, 2015.

GUARANTORS:

Operator Post Inc.
Tricon Films Inc.
Tricon Television Inc.
Tricon Television10 Inc.
Tricon Television28 Inc.
Tricon Television29 Inc.
Tricon Television31 Inc.
Tricon Television33 Inc.
Tricon Television40 Inc.
Tricon Television43 Inc.
Tricon Television44 Inc.
Tricon Television46 Inc.
Tricon Television47 Inc.
Tricon Television48 Inc.
Tricon Television49 Inc.
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Tricon Television60 Inc.
Tricon Television61 Inc.
Tricon Television62 Inc.
Tricon Education Inc.
Tricon Television63 Inc.
Tricon Television64 Inc.
Tricon Television65 Inc.
Tricon Television66 Inc.

Tricon Television67 Inc.
Tricon Television68 Inc.
Tricon Television69 Inc.
Tricon Television70 Inc.
Tricon Television71 Inc.
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Tricon Television78 Inc.
Tricon Television79 Inc.
Tricon Television80 Inc.
Tricon Television81 Inc.
Tricon Interactive Inc.
Tricon Television82 Inc.
Tricon Television83 Inc.
Tricon Television84 Inc.
Tricon Television85 Inc.
Tricon Television86 Inc.
Tricon Television87 Inc.
Tricon Films (UK) Limited
Tricon Media Holdings, Inc.
Tricon Media Productions, Inc.
Tricon Media Holdings, Inc.
Tricon Media, Inc.
Tricon US Productions1 Inc.
Tricon US Productions14 Inc.
Tricon US Productions15 Inc.

By: 

Name: Andrea Gorfolova

Title: President

EXHIBIT A

OPERATOR POST INC.
TRICON SOUND INC.
TRICON EDUCATION INC.
TRICON FILMS INC.
TRICON TELEVISION INC.
TRICON TELEVISION10 INC.
TRICON TELEVISION28 INC.
TRICON TELEVISION29 INC.
TRICON TELEVISION31 INC.
TRICON TELEVISION33 INC.
ROCKER MOMS PRODUCTIONS INC
TRICON TELEVISION35 INC.
TRICON TELEVISION37 INC.
TRICON TELEVISION38 INC.
TRICON TELEVISION39 INC.
TRICON TELEVISION40 INC.
TRICON TELEVISION41 INC.
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TRICON TELEVISION68 INC.

TRICON TELEVISJON69 INC.
TRICON TELEVISION70 INC.
TRICON TELEVISION71 INC.
TRICON TELEVISION72 INC.
TRICON TELEVISION73 INC.
TRICON FILMS (UK) LIMITED
TRICON MEDIA HOLDINGS, INC.
TRICON MEDIA PRODUCTIONS, INC.
TRICON MEDIA, INC.

EXHIBIT B
FORM OF LIMITED PERSONAL GUARANTY



Unconditional Guaranty

This limited guaranty of Andrea Gorfolova ("Guarantor") dated _____, 2015, provides:

Whereas, 146259 Ontario Inc. d/b/a Tricon Films and Television (herein the "Borrower") desires to transact business with and to obtain credit or a continuation of credit from SunTrust Bank, its present and future affiliates and their successors and assigns (collectively, "Sun Trust"); and

Whereas, SunTrust is unwilling to extend or continue credit to Borrower unless it receives a guaranty from the undersigned Guarantor with respect to the Obligations, as defined below, of Borrower to SunTrust;

Now, Therefore, in consideration of the premises and of other good and valuable consideration and in order to induce SunTrust from time to time, in its sole discretion, to extend or continue credit to or enter into other transactions with Borrower, Guarantor absolutely and unconditionally guarantees to SunTrust performance and payment when due, whether by acceleration or otherwise, of any and all Obligations of Borrower to SunTrust, together with all interest and charges related thereto, and all reasonable attorneys' fees, and all costs and expenses of collection incurred by SunTrust in enforcing the Obligations or this guaranty, subject to the provisions contained herein.

1. The term "Obligations" or "Obligation" as used herein shall include, without limitation, any and a" liabilities, obligations, agreements and undertakings of Borrower to SunTrust in any amount, whether now existing or hereafter arising (including those owed by Borrower to others and acquired by SunTrust through purchase, assignment or otherwise), however created, evidenced or arising, whether individually or jointly with others, and whether absolute or contingent, direct or indirect, as maker, endorser, guarantor, surety or otherwise, liquidated or unliquidated, matured or unmatured, whether or not secured by collateral, and including, without limitation, (a) a" obligations to perform or forbear from performing any acts, (b) all overdrafts on deposits or accounts maintained by Borrower with SunTrust, (c) a" liabilities, obligations, agreements and undertakings of Borrower to SunTrust pursuant to any interest rate hedge agreement or other derivative transaction agreement or any foreign exchange contract or any application or other agreement requesting SunTrust to issue any letter of credit including, without limitation, the obligation of Borrower to reimburse SunTrust for a" amounts funded by SunTrust pursuant to any such letter of credit (d) all obligations and other liabilities of Borrower to SunTrust in respect of any of the following services (i) any treasury or other cash management services, including, without limitation, automated clearing house (ACH) origination and other funds transfer, depository (including, without limitation, cash vault and check deposit), zero balance account and sweep, returned items processing, controlled disbursement, positive pay, lockbox, account reconciliation and information reporting, payables outsourcing, payroll processing, and trade finance services, and (ii) card services, including, without limitation, credit card (including, without limitation, purchasing card and commercial card), prepaid card (including, without limitation, payroll, stored value and gift cards), merchant services processing, and debit card services and (e) all costs of collection and protection of SunTrust's rights, including attorneys' fees allowed by law, whether such collection or protection occurs prior to, during, or after any bankruptcy proceedings filed by or against Borrower.

2. Notwithstanding any other provisions set forth herein or in the Loan Documents to the contrary, the liability of Guarantor under this Guaranty is limited to the amount of One Million and 00/100 dollars (\$1,000,000.00), plus fees, and costs, including but not limited to attorneys' fees and costs of enforcement and collection of this Guaranty.
3. This guaranty is a continuing guaranty, shall remain in force irrespective of any interruptions in the business relations of Borrower with SunTrust and shall apply to and guarantee any balance which shall remain due by Borrower to SunTrust; provided, however, that Guarantor may, by written notice delivered personally to an officer of SunTrust or received by registered mail by an officer of SunTrust, terminate this guaranty with respect to all Obligations of the Borrower incurred or contracted by the Borrower or acquired by SunTrust after the date on which the notice is actually received by such officer. Such termination shall not be applicable to any Obligation incurred prior to the receipt of such notice by SunTrust.
4. SunTrust may at any time and from time to time, in the exercise of its sole discretion, either before or after default by Borrower or revocation or termination of this guaranty, without the consent of or notice to Guarantor, and without incurring responsibility to Guarantor, or releasing or impairing the liability of Guarantor, or any security available to SunTrust, upon or without any terms or conditions:
 - a. Change the manner, place, or terms of payment (including payment amounts and rate of interest) and/or change or extend the time of payment, renew or alter any Obligation, any collateral or security therefore, or any Obligation incurred directly or indirectly in respect thereof, and this guaranty shall apply to the Obligations as so changed, extended, renewed or altered;
 - b. Sell, exchange, release, surrender, realize upon or otherwise deal with in any manner and in any order any collateral or security at any time held by or available to SunTrust for any Obligation, or for any obligations of Guarantor or any person secondarily or otherwise liable for any of the Obligations; SunTrust shall have full authority to adjust, compromise and receive less than the amount due upon any such collateral;
 - c. Exercise or refrain from exercising any rights against Borrower, Guarantor or others, or otherwise act or refrain from acting;
 - d. Release, compromise, or agree not to sue, in whole or in part, Borrower, Guarantor or any other party obligated on any of the Obligations;
 - e. Apply any sums received by it from any source to any Obligation or Obligations, in such order of application as Sun Trust may elect, regardless of what Obligation or Obligations remain unpaid. All payments shall be conclusively presumed to have been made by Borrower and no payment shall operate to reduce the obligation of a Guarantor unless, at the time such payments are made, written notice is delivered to an officer of SunTrust that such payments are made by a Guarantor in reduction of Guarantor's liability hereunder, and such payments are actually made by Guarantor; and
 - f. Fail to set off and release, in whole or in part, any balance of any deposit account or credit on its books in favor of Borrower, or any other person liable for any of the Obligations, and may extend further credit in any manner to Borrower, and generally

deal with Borrower or any security or other person liable for any of the Obligations as SunTrust, in its sole discretion, may see fit.


5. As security for the payment of the Obligations and the obligation of Guarantor hereunder, Guarantor hereby assigns and grants a security interest to SunTrust in (a) all property of Guarantor in or coming into the possession, control or custody of SunTrust, or in which SunTrust has or hereafter acquires a lien, security interest, or other right; and (b) any existing or hereafter created lien or security interest in favor of Guarantor in any property of Borrower.
6. Guarantor waives notice of acceptance of the guaranty and notice, including notice of default, on any Obligation to which it may apply, and waives notice of presentment and demand for payment of any of the Obligations, suit or other action taken by SunTrust against, and any other notice to, Guarantor or to any other party liable for the Obligations. Guarantor waives all defenses, offsets and counterclaims which Guarantor may at any time have to any claim of SunTrust against Borrower. Except for any limitation which is specified above with respect to the amount of the maximum liability of Guarantor, this is an unconditional guaranty, and the liability of Guarantor to SunTrust shall not be terminated or in any way limited by reason or as the result of anything set forth or contained in any writing evidencing all or any part of the Obligations, nor shall it be limited to a proportionate part of the total of the Obligations. This is a guaranty of payment and not of collection and Guarantor waives any right to require that any action be brought against Borrower or any other person or to require that resort be had to any security or to any balance of any deposit account or credit on the books of SunTrust in favor of Borrower or any other person and agrees that SunTrust is not responsible for the validity, perfection, recordation or enforceability of any collateral or security for the Obligations.
7. Guarantor hereby ratifies, confirms, and adopts all the terms, conditions, agreements and stipulations of all notes and other evidences of the Obligations heretofore or hereafter executed. Without in any way limiting the generality of the foregoing, Guarantor waives and renounces any and all homestead exemption right Guarantor may have under or by virtue of the Constitution or laws of any state, or the United States, as against the obligation hereby created, provided however, that such waiver shall not apply to any obligation created hereunder which arises from any of the Obligations that are consumer credit transactions; and Guarantor does hereby transfer, convey and assign, and direct any Trustee in Bankruptcy or receiver to deliver to SunTrust, a sufficient amount of property or money in any homestead exemption that may be allowed to Guarantor to pay any Obligation in full and all costs of collection. Guarantor waives and renounces any defense to any of the Obligations which may be available to or could be asserted by Borrower, except for payment.
8. Guarantor subordinates all indebtedness of Borrower owing to Guarantor, whether now existing or hereafter arising, to the Obligations. Guarantor further agrees that it shall not be subrogated to, and will not enforce on its behalf, any right of action which SunTrust may have against Borrower until every Obligation shall have been paid in full. Upon default by Borrower, SunTrust shall have the right, immediately and without further action by it, to set off against any obligation of Guarantor to SunTrust, all money owed by SunTrust in any capacity to Guarantor, whether or not due, provided, however, that at no time shall the deposit account for Guarantor be debited for any of the Obligations.

9. A subsequent guaranty by Guarantor shall not be deemed to be in lieu of or to supersede or terminate this guaranty but shall be construed as an additional or supplementary guaranty unless otherwise expressly provided therein; and in the event Guarantor, or any other guarantor, has given to SunTrust a previous guaranty or guaranties, this guaranty shall be construed to be an additional or supplemental guaranty, and not to be in lieu thereof or to terminate such previous guaranty or guaranties unless expressly so provided herein.
10. This guaranty shall be binding on the Guarantor, notwithstanding the failure of any further contemplated guarantor(s) to execute similar instruments and notwithstanding the fact that the signature of one or more other parties guaranteeing the Obligations or any other existing or future Signature shall be forged or unauthorized. The revocation of this guaranty in the manner permitted hereunder by Guarantor or any other party guaranteeing the Obligation, or the release by SunTrust of any one or more parties guaranteeing the Obligations, or the death of Borrower or Guarantor or any other party guaranteeing the Obligations, shall not affect or limit the liability of Guarantor, and SunTrust shall be under no duty to notify Guarantor of any such revocation, release or death.
11. Guarantor warrants to SunTrust that Guarantor has adequate means to obtain from Borrower on a continuing basis information concerning the financial condition of Borrower and that Guarantor is not relying on SunTrust to provide such information either now or in the future. Guarantor waives all errors and omissions in connection with SunTrust's administration of the Obligations except behavior which amounts to gross negligence or willful misconduct.
12. No invalidity, irregularity or unenforceability of all or any part of the Obligations or of any collateral or security therefore shall affect, impair, or be a defense to this guaranty, and this guaranty is a primary obligation of Guarantor.
13. The term "Guarantor" as used herein shall mean the undersigned Guarantor and if the undersigned is a partnership or limited liability company, the obligations and liability of Guarantor shall remain in full force and applicable notwithstanding any changes in the identity of the parties comprising the partnership or limited liability company, and the term "Guarantor" shall include any altered or successor partnership or limited liability company, and the predecessor partnership or limited liability company, and their partners or member/managers shall not thereby be released from any obligation or liability.
14. No delay on the part of SunTrust in exercising any rights hereunder or failure to exercise the same shall operate as a waiver of such rights; no notice to or demand on Guarantor shall be deemed to be a waiver of the obligation of Guarantor or of the right of SunTrust to take further action without notice or demand as provided herein; nor in any event shall any modification or waiver of the provisions of this guaranty be effective unless in writing signed by SunTrust nor shall any such waiver be applicable except in the specific instance for which given.
15. Guarantor agrees to provide to SunTrust updated financial information, including, but not limited to, tax returns and current financial statements in form satisfactory to SunTrust, as well as additional information, reports or schedules (financial or otherwise), all as SunTrust may from time to time request.
16. Notwithstanding the fact that the Obligations of Borrower may have been paid in full and this guaranty may have been returned to Guarantor, the obligations of Guarantor hereunder shall

17. This guaranty shall not be construed to impose any obligation on SunTrust to extend or continue any credit at any time.
18. Each reference herein to Borrower shall be deemed to include Borrower and its successors and assigns. Each reference herein to SunTrust shall be deemed to include its successors and assigns, in whose favor the provisions of this guaranty shall also inure. Each reference herein to Guarantor shall be deemed to include heirs, executors, administrators, legal representatives, successors and assigns, all of whom shall be bound by the provisions of this guaranty.
19. Guarantor agrees that certain material events and occurrences relating to this guaranty bear a reasonable relationship to the laws of New York. This guaranty shall be governed by the laws of New York and, unless applicable law provides otherwise, in the event of any legal proceeding arising out of or related to this guaranty, the Guarantor consents to the jurisdiction and venue of any court located in New York. To the extent that any provision in this guaranty is inconsistent with applicable law, SunTrust will comply with applicable law.

WAIVER OF JURY TRIAL. GUARANTOR AND SUNTRUST HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS GUARANTY AND ANY OTHER DOCUMENT OR INSTRUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION WITH THIS GUARANTY, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR SUNTRUST ENTERING INTO OR ACCEPTING THIS GUARANTY. FURTHER, GUARANTOR HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF SUNTRUST, NOR SUNTRUST'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUNTRUST WOULD NOT, IN THE EVENT OF SUCH LITIGATION, SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION.

The undersigned Guarantor has read, understands and agrees to the provisions of this guaranty and has executed the same voluntarily under seal, with full authority and with the intent to be legally bound by its terms, conditions and obligations.



Andrea Gorfolova

#36487634_v5

MODIFICATION OF FORBEARANCE AGREEMENT

THIS MODIFICATION OF FORBEARANCE AGREEMENT ("Modification") made effective as of October 31, 2015, by and among **SunTrust Bank**, a Georgia banking corporation, having an office at 200 S. Orange Avenue, Orlando, Florida 32801 ("**SunTrust**"), **1462598 Ontario Inc. d/b/a Tricon Films and Television**, a corporation incorporated under the laws of the Province of Ontario, Canada ("**Borrower**"), and the guarantors referred to herein (collectively, "**Guarantors**") (collectively, Borrower and Guarantors are referred to herein as "**Credit Parties**").

RECITALS

A. SunTrust and Credit Parties entered into that certain Forbearance Agreement effective as of August 19, 2015 (the "**Agreement**"). Pursuant to the Agreement, the Forbearance Period, as defined therein, terminated on October 31, 2015.

B. Credit Parties have requested that SunTrust extend the Forbearance Period to provide an opportunity to propose a plan for restructuring the loan from SunTrust to Borrower (collectively, the "**Loan**").

D. SunTrust is willing to extend the Forbearance Period but only under the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the above recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby mutually acknowledged, SunTrust and the Credit Parties, intending to be legally bound, do hereby agree as follows:

1. **Affirmation of Recitals.** The foregoing recitals set forth above are true and correct and are incorporated herein by this reference.
2. **Defined Terms.** For purposes of this Modification, if the context so requires, the singular includes the plural, the plural includes the singular, and the gender shall be adjusted to the proper gender for the particular person. The terms "herein" and "hereof" shall refer to this Modification in its entirety and shall not be limited in context to the provision in which such words are located. Terms not otherwise defined herein shall have the same meanings as set forth in the Agreement and the Loan Documents.
3. **Extension of Agreement.** Provided that the Credit Parties comply with the terms of this Modification and otherwise comply with the terms of the Agreement, the Forbearance Period, as defined in the Agreement, is hereby extended to January 31, 2016 (the "**Termination Date**").
4. **Conditions of Extension of Forbearance.** Credit Parties agree to continue to comply with all Conditions of Forbearance contained in Section 3.03 of the Agreement, as


modified herein, and except as otherwise provided, will continue to perform all obligations as required by the Loan Documents.


5. **Advances.** The over-advance under the Borrowing Base during the Forbearance Period shall not exceed \$250,000. The Library Advance Rate will continue to be frozen at thirty percent (30%) during the Forbearance Period.
6. **Attorneys' Fees for Modification.** Credit Parties agree to and acknowledge the following additional conditions to the effectiveness of the extension of the Forbearance Period, Credit Parties shall pay to Lender all attorneys' fees and costs incurred by Lender as a result of the requested extension and the preparation of this Modification, in the amount of \$5,000.00 within ten (10) days from the date of execution of this Modification.
7. **Acknowledgement of Default.** Credit Parties acknowledge that they continue to be in material default of their obligations to SunTrust under the Loan Documents and are currently without the funds necessary to repay SunTrust or to otherwise cure the Existing Defaults.
8. **Release of Claims.** To induce SunTrust to enter into this Modification, Credit Parties (the "Releasing Parties") each hereby release, acquit and forever discharge SunTrust, and its respective officers, directors, agents, employees, successors and assigns (the "Released Parties") from all liabilities, claims, demands, actions or causes of action of any kind (if any there be), whether absolute or contingent, due or to become due, disputed or undisputed, liquidated or unliquidated, at law or in equity, or known or unknown, that the Releasing Parties now have or ever have had against the Released Parties, whether arising under or in connection with any of the Loan Documents or otherwise.
9. **Entire Agreement.** Credit Parties and SunTrust acknowledge that there are no other agreements or representations, either oral or written, express or implied, not embodied in this Modification, the Agreement and the Loan Documents, which, together, represent a complete integration of all prior and contemporaneous agreements and understandings of Credit Parties and SunTrust, and the provisions of the Loan Documents are hereby ratified and confirmed.
10. **Counterparts.** It is understood and agreed that this Modification may be executed in several counterparts, each of which shall, for all purposes, be deemed an original and all of such counterparts, taken together, shall constitute one and the same Modification, even though all of the parties hereto may not have executed the same counterpart of this Modification.
11. **Amendments, etc.** No amendment, modification, termination or waiver of any provision of this Modification or the documents nor consent to any departure from the terms hereof or thereof, shall in any event be effective unless the same shall be in writing and signed by the party against whom enforcement of the amendment, modification, termination, or waiver is sought. By entering into this Modification, SunTrust does not waive any existing defaults under the Loan Documents.

12. **Headings.** The headings in this Modification are intended to be for convenience of reference only, and shall not define or limit the scope, extent or intent or otherwise affect the meaning of any portion hereof.

IN WITNESS WHEREOF, this Modification has been executed by the parties hereto in manner and form sufficient to bind them, as of the day and year first above written.

TWO WITNESSES:

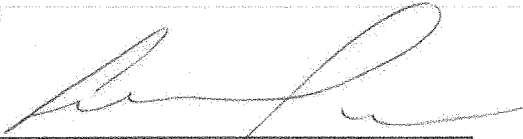


Print Name: BLAKE TOHANA



Print Name: EFFIE HOTOUSIOTIS

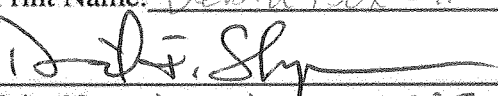
BORROWER:

1462598 Ontario Inc. d/b/a Tricon
Films and Television, a corporation
Incorporated under the laws of Ontario,
Canada

By: 

Name: Andrea Gorfolova
Title: President and Secretary

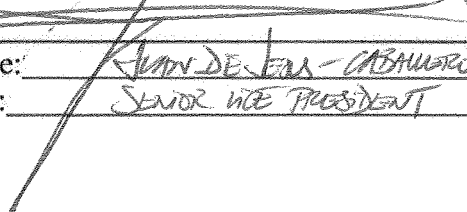


Print Name: Debra Boxell


Print Name: DAVID J. SHARPE

LENDER:

SUNTRUST BANK, a Georgia
banking corporation

By: 

Name: JUAN DE JESUS CABALLERO
Title: SENIOR VICE PRESIDENT

**AFFIRMATION, JOINDER AND
CONSENT OF GUARANTORS**

The undersigned, constituting the Guarantors of the Note referred to hereinabove do hereby and herewith reaffirm their guaranties of any obligations owed to the Lender by the Borrower (whether under the Note or otherwise) and, further, consent to and join in the Note Modification Agreement and its terms and conditions for the purposes as set forth hereinabove.

Dated effective as of the 31st day of October, 2015.

GUARANTORS:

Operator Post Inc.
Tricon Films Inc.
Tricon Television Inc.
Tricon Television10 Inc.
Tricon Television28 Inc.
Tricon Television29 Inc.
Tricon Television31 Inc.
Tricon Television33 Inc.
Tricon Television40 Inc.
Tricon Television43 Inc.
Tricon Television44 Inc.
Tricon Television46 Inc.
Tricon Television47 Inc.
Tricon Television48 Inc.
Tricon Television49 Inc.
Tricon Television50 Inc.
Tricon Television51 Inc.
Tricon Television52 Inc.
Tricon Television53 Inc.
Tricon Television54 Inc.
Tricon Television55 Inc.
Tricon Television56 Inc.
Tricon Television57 Inc.
Tricon Television58 Inc.
Tricon Television59 Inc.
Tricon Television60 Inc.
Tricon Television61 Inc.
Tricon Television62 Inc.
Tricon Education Inc.
Tricon Television63 Inc.
Tricon Television64 Inc.
Tricon Television65 Inc.
Tricon Television66 Inc.

Tricon Television67 Inc.
Tricon Television68 Inc.
Tricon Television69 Inc.
Tricon Television70 Inc.
Tricon Television71 Inc.
Tricon Television72 Inc.
Tricon Television73 Inc.
Tricon Television74 Inc.
Tricon Television75 Inc.
Tricon Television76 Inc.
Tricon Television77 Inc.
Tricon Television78 Inc.
Tricon Television79 Inc.
Tricon Television80 Inc.
Tricon Television81 Inc.
Tricon Interactive Inc.
Tricon Television82 Inc.
Tricon Television83 Inc.
Tricon Television84 Inc.
Tricon Television85 Inc.
Tricon Television86 Inc.
Tricon Television87 Inc.
Tricon Television88 Inc.
Tricon Television89 Inc.
Tricon Television90 Inc.
Tricon Films (UK) Limited
Tricon Media Holdings, Inc.
Tricon Media Productions, Inc.
Tricon Media Holdings, Inc.
Tricon Media, Inc.
Tricon US Productions1 Inc.
Tricon US Productions14 Inc.
Tricon US Productions15 Inc.

By: 

Name: Andrea Gorfolova

Title: President

SECOND MODIFICATION OF FORBEARANCE AGREEMENT

THIS SECOND MODIFICATION OF FORBEARANCE AGREEMENT ("**Modification**") made effective as of January 31, 2016, by and among **SunTrust Bank**, a Georgia banking corporation, having an office at 200 S. Orange Avenue, Orlando, Florida 32801 ("**SunTrust**"), **1462598 Ontario Inc. d/b/a Tricon Films and Television**, a corporation incorporated under the laws of the Province of Ontario, Canada ("**Borrower**"), and the guarantors referred to herein (collectively, "**Guarantors**") (collectively, Borrower and Guarantors are referred to herein as "**Credit Parties**").

RECITALS

A. SunTrust and Credit Parties entered into that certain Forbearance Agreement effective as of August 19, 2015 (the "**Agreement**"). Pursuant to the Agreement, the Forbearance Period, as defined therein, terminated on October 31, 2015.

B. Credit Parties and SunTrust entered into a Modification of Forbearance Agreement effective as of October 31, 2015, pursuant to which the parties extended the Forbearance Period to January 31, 2016.

C. Credit Parties have requested that SunTrust further extend the Forbearance Period to provide an opportunity to propose a plan for restructuring the loan from SunTrust to Borrower (collectively, the "Loan").

D. SunTrust is willing to extend the Forbearance Period but only under the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the above recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby mutually acknowledged, SunTrust and the Credit Parties, intending to be legally bound, do hereby agree as follows:

1. **Affirmation of Recitals.** The foregoing recitals set forth above are true and correct and are incorporated herein by this reference.
2. **Defined Terms.** For purposes of this Modification, if the context so requires, the singular includes the plural, the plural includes the singular, and the gender shall be adjusted to the proper gender for the particular person. The terms "herein" and "hereof" shall refer to this Modification in its entirety and shall not be limited in context to the provision in which such words are located. Terms not otherwise defined herein shall have the same meanings as set forth in the Agreement and the Loan Documents.
3. **Extension of Agreement.** Provided that the Credit Parties comply with the terms of this Modification and otherwise comply with the terms of the Agreement, the Forbearance Period, as defined in the Agreement, is hereby extended to April 30, 2016 (the "**Termination Date**").


4. **Conditions of Extension of Forbearance.** Credit Parties agree to continue to comply with all Conditions of Forbearance contained in Section 3.03 of the Agreement, as modified herein, and except as otherwise provided, will continue to perform all obligations as required by the Loan Documents.
5. **Retention of Financial Advisor.** As a further condition of the extension of the Forbearance Period, Credit Parties agree that, at its option, SunTrust may require that Credit Parties retain a financial advisor selected from three (3) proposed by SunTrust, at Credit Parties' sole expense.
6. **Reduction of Total Commitment.** Upon execution of this Modification and throughout the Forbearance Period, the total commitment under the Loan shall not exceed \$13,000,000.00 (the "Limit") and further shall have a sub-limit of \$12,000,000.00 (the "Sub-Limit"). Any advance that would cause the outstanding balance to exceed the Sub-Limit shall be subject not be funded without SunTrust's prior approval. Upon receipt of each paydown resulting from the collection of tax credits, the Limit and the Sub-Limit shall be reduced by the same amount.
7. **Advances.** There over-advance under the Borrowing Base during the Forbearance Period shall not exceed \$250,000.00. The Library Advance Rate will continue to be frozen at thirty percent (30%) during the Forbearance Period.
8. **Attorneys' Fees for Modification.** Credit Parties agree to and acknowledge the following additional conditions to the effectiveness of the extension of the Forbearance Period, Credit Parties shall pay to Lender all attorneys' fees and costs incurred by Lender as a result of the requested extension and the preparation of this Modification, in the amount of \$5,000.00 within ten (10) days from the date of execution of this Modification.
9. **Acknowledgement of Default.** Credit Parties acknowledge that they continue to be in material default of their obligations to SunTrust under the Loan Documents and are currently without the funds necessary to repay SunTrust or to otherwise cure the Existing Defaults.
10. **Release of Claims.** To induce SunTrust to enter into this Modification, Credit Parties (the "**Releasing Parties**") each hereby release, acquit and forever discharge SunTrust, and its respective officers, directors, agents, employees, successors and assigns (the "**Released Parties**") from all liabilities, claims, demands, actions or causes of action of any kind (if any there be), whether absolute or contingent, due or to become due, disputed or undisputed, liquidated or unliquidated, at law or in equity, or known or unknown, that the Releasing Parties now have or ever have had against the Released Parties, whether arising under or in connection with any of the Loan Documents or otherwise.
11. **Entire Agreement.** Credit Parties and SunTrust acknowledge that there are no other agreements or representations, either oral or written, express or implied, not embodied in this Modification, the Agreement and the Loan Documents, which, together, represent a complete integration of all prior and contemporaneous agreements and understandings of

Credit Parties and SunTrust, and the provisions of the Loan Documents are hereby ratified and confirmed.


- 12. **Counterparts.** It is understood and agreed that this Modification may be executed in several counterparts, each of which shall, for all purposes, be deemed an original and all of such counterparts, taken together, shall constitute one and the same Modification, even though all of the parties hereto may not have executed the same counterpart of this Modification.
- 13. **Amendments, etc.** No amendment, modification, termination or waiver of any provision of this Modification or the documents nor consent to any departure from the terms hereof or thereof, shall in any event be effective unless the same shall be in writing and signed by the party against whom enforcement of the amendment, modification, termination, or waiver is sought. By entering into this Modification, SunTrust does not waive any existing defaults under the Loan Documents.
- 14. **Headings.** The headings in this Modification are intended to be for convenience of reference only, and shall not define or limit the scope, extent or intent or otherwise affect the meaning of any portion hereof.

IN WITNESS WHEREOF, this Modification has been executed by the parties hereto in manner and form sufficient to bind them, as of the day and year first above written.

TWO WITNESSES:



 Print Name: LINDA CARTER



 Print Name: DEREK BAYNHAM

BORROWER:

**1462598 Ontario Inc. d/b/a Tricon
Films and Television**, a corporation
Incorporated under the laws of Ontario,
Canada

By: 

 Name: Andrea Gorfolova
 Title: President and Secretary

LENDER:

SUNTRUST BANK, a Georgia
banking corporation

 Print Name: _____

 Print Name: _____

By: _____
 Name: _____
 Title: _____

**AFFIRMATION, JOINDER AND
CONSENT OF GUARANTORS**


The undersigned, constituting the Guarantors of the Note referred to hereinabove do hereby and herewith reaffirm their guaranties of any obligations owed to the Lender by the Borrower (whether under the Note or otherwise) and, further, consent to and join in the Note Modification Agreement and its terms and conditions for the purposes as set forth hereinabove.

Dated effective as of the 31st day of January, 2016.

GUARANTORS:

Operator Post Inc.
Tricon Films Inc.
Tricon Television Inc.
Tricon Television10 Inc.
Tricon Television28 Inc.
Tricon Television29 Inc.
Tricon Television31 Inc.
Tricon Television33 Inc.
Tricon Television40 Inc.
Tricon Television43 Inc.
Tricon Television44 Inc.
Tricon Television46 Inc.
Tricon Television47 Inc.
Tricon Television48 Inc.
Tricon Television49 Inc.
Tricon Television50 Inc.
Tricon Television51 Inc.
Tricon Television52 Inc.
Tricon Television53 Inc.
Tricon Television54 Inc.
Tricon Television55 Inc.
Tricon Television56 Inc.
Tricon Television57 Inc.
Tricon Television58 Inc.
Tricon Television59 Inc.
Tricon Television60 Inc.
Tricon Television61 Inc.
Tricon Television62 Inc.
Tricon Education Inc.
Tricon Television63 Inc.
Tricon Television64 Inc.
Tricon Television65 Inc.
Tricon Television66 Inc.

Tricon Television67 Inc.
Tricon Television68 Inc.
Tricon Television69 Inc.
Tricon Television70 Inc.
Tricon Television71 Inc.
Tricon Television72 Inc.
Tricon Television73 Inc.
Tricon Television74 Inc.
Tricon Television75 Inc.
Tricon Television76 Inc.
Tricon Television77 Inc.
Tricon Television78 Inc.
Tricon Television79 Inc.
Tricon Television80 Inc.
Tricon Television81 Inc.
Tricon Interactive Inc.
Tricon Television82 Inc.
Tricon Television83 Inc.
Tricon Television84 Inc.
Tricon Television85 Inc.
Tricon Television86 Inc.
Tricon Television87 Inc.
Tricon Television88 Inc.
Tricon Television89 Inc.
Tricon Television90 Inc.
Tricon Films (UK) Limited
Tricon Media Holdings, Inc.
Tricon Media Productions, Inc.
Tricon Media Holdings, Inc.
Tricon Media, Inc.
Tricon US Productions1 Inc.
Tricon US Productions14 Inc.
Tricon US Productions15 Inc.

By: 
Name: Andrea Gorfolova
Title: President

THIRD MODIFICATION OF FORBEARANCE AGREEMENT

THIS THIRD MODIFICATION OF FORBEARANCE AGREEMENT ("**Modification**") made effective as of April 30, 2016, by and among **SunTrust Bank**, a Georgia banking corporation, having an office at 200 S. Orange Avenue, Orlando, Florida 32801 ("**SunTrust**"), **1462598 Ontario Inc. d/b/a Tricon Films and Television**, a corporation incorporated under the laws of the Province of Ontario, Canada ("**Borrower**"), and the guarantors referred to herein (collectively, "**Guarantors**") (collectively, Borrower and Guarantors are referred to herein as "**Credit Parties**").

RECITALS

A. SunTrust and Credit Parties entered into that certain Forbearance Agreement effective as of August 19, 2015 (the "**Agreement**"). Pursuant to the Agreement, the Forbearance Period, as defined therein, terminated on October 31, 2015.

B. Credit Parties and SunTrust entered into a Modification of Forbearance Agreement effective as of October 31, 2015, pursuant to which the parties extended the Forbearance Period to January 31, 2016.

C. Credit Parties and SunTrust entered into a Second Modification of Forbearance Agreement effective as of January 31, 2016, pursuant to which the parties extended the Forbearance Period to April 30, 2016 on the terms reflected therein.

D. Credit Parties have requested that SunTrust further extend the Forbearance Period to provide an opportunity to propose a plan for restructuring the loan from SunTrust to Borrower (collectively, the "**Loan**").

E. SunTrust is willing to extend the Forbearance Period but only under the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the above recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby mutually acknowledged, SunTrust and the Credit Parties, intending to be legally bound, do hereby agree as follows:

1. **Affirmation of Recitals.** The foregoing recitals set forth above are true and correct and are incorporated herein by this reference.
2. **Defined Terms.** For purposes of this Modification, if the context so requires, the singular includes the plural, the plural includes the singular, and the gender shall be adjusted to the proper gender for the particular person. The terms "herein" and "hereof" shall refer to this Modification in its entirety and shall not be limited in context to the provision in which such words are located. Terms not otherwise defined herein shall have the same meanings as set forth in the Agreement and the Loan Documents.

3. **Extension of Agreement.** Provided that the Credit Parties comply with the terms of this Modification and otherwise comply with the terms of the Agreement, the Forbearance Period, as defined in the Agreement, is hereby extended to July 31, 2016 (the "**Termination Date**").
4. **Conditions of Extension of Forbearance.** Credit Parties agree to continue to comply with all Conditions of Forbearance contained in Section 3.03 of the Agreement, as modified herein, and except as otherwise provided, will continue to perform all obligations as required by the Loan Documents.
5. **Total Commitment.** As provided in the Second Modification, throughout the Forbearance Period, the total commitment under the Loan shall not exceed \$13,000,000.00 (the "Limit") and further shall have a sub-limit of \$12,000,000.00 (the "Sub-Limit"). Any advance that would cause the outstanding balance to exceed the Sub-Limit shall be subject not be funded without SunTrust's prior approval. Upon receipt of each paydown resulting from the collection of tax credits, subsidies or other government grants or credits, the Limit and the Sub-Limit shall be reduced by the same amount.
6. **Attorneys' Fees for Modification.** Credit Parties agree to and acknowledge the following additional conditions to the effectiveness of the extension of the Forbearance Period, Credit Parties shall pay to Lender all attorneys' fees and costs incurred by Lender as a result of the requested extension and the preparation of this Modification, in the amount of \$2,000.00 within ten (10) days from the date of execution of this Modification.
7. **Acknowledgement of Default.** Credit Parties acknowledge that they continue to be in material default of their obligations to SunTrust under the Loan Documents and are currently without the funds necessary to repay SunTrust or to otherwise cure the Existing Defaults.
8. **Release of Claims.** To induce SunTrust to enter into this Modification, Credit Parties (the "**Releasing Parties**") each hereby release, acquit and forever discharge SunTrust, and its respective officers, directors, agents, employees, successors and assigns (the "**Released Parties**") from all liabilities, claims, demands, actions or causes of action of any kind (if any there be), whether absolute or contingent, due or to become due, disputed or undisputed, liquidated or unliquidated, at law or in equity, or known or unknown, that the Releasing Parties now have or ever have had against the Released Parties, whether arising under or in connection with any of the Loan Documents or otherwise.
9. **Entire Agreement.** Credit Parties and SunTrust acknowledge that there are no other agreements or representations, either oral or written, express or implied, not embodied in this Modification, the Agreement and the Loan Documents, which, together, represent a complete integration of all prior and contemporaneous agreements and understandings of Credit Parties and SunTrust, and the provisions of the Loan Documents are hereby ratified and confirmed.
10. **Counterparts.** It is understood and agreed that this Modification may be executed in several counterparts, each of which shall, for all purposes, be deemed an original and all

of such counterparts, taken together, shall constitute one and the same Modification, even though all of the parties hereto may not have executed the same counterpart of this Modification.

11. **Amendments, etc.** No amendment, modification, termination or waiver of any provision of this Modification or the documents nor consent to any departure from the terms hereof or thereof, shall in any event be effective unless the same shall be in writing and signed by the party against whom enforcement of the amendment, modification, termination, or waiver is sought. By entering into this Modification, SunTrust does not waive any existing defaults under the Loan Documents.

12. **Headings.** The headings in this Modification are intended to be for convenience of reference only, and shall not define or limit the scope, extent or intent or otherwise affect the meaning of any portion hereof.

IN WITNESS WHEREOF, this Modification has been executed by the parties hereto in manner and form sufficient to bind them, as of the day and year first above written.


TWO WITNESSES:


BORROWER:



Print Name: LIADA CARTER


Print Name: Derek BRAMHAM

1462598 Ontario Inc. d/b/a Tricon
Films and Television, a corporation
Incorporated under the laws of Ontario,
Canada

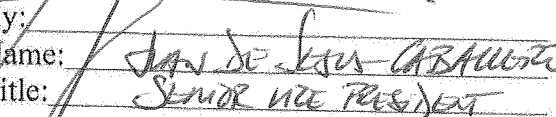
By: 
Name: Andrea Gorfolova
Title: President and Secretary


Print Name: Gregory J Langhelt


Print Name: Russell Edgill

LENDER:

SUNTRUST BANK, a Georgia
banking corporation

By: 
Name: Jan de la Cruz Caballero
Title: SENIOR VICE PRESIDENT

**AFFIRMATION, JOINDER AND
CONSENT OF GUARANTORS**

The undersigned, constituting the Guarantors of the Note referred to hereinabove do hereby and herewith reaffirm their guaranties of any obligations owed to the Lender by the Borrower (whether under the Note or otherwise) and, further, consent to and join in the Note Modification Agreement and its terms and conditions for the purposes as set forth hereinabove.

Dated effective as of the 30th day of April, 2016.

GUARANTORS:

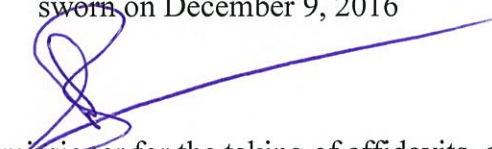
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Tricon Television90 Inc.
Tricon Films (UK) Limited
Tricon Media Holdings, Inc.
Tricon Media Productions, Inc.
Tricon Media Holdings, Inc.
Tricon Media, Inc.
Tricon US Productions1 Inc.
Tricon US Productions14 Inc.
Tricon US Productions15 Inc.

By: _____

Name: Andrea Gorfolova
Title: President

This is Exhibit "H" to the Affidavit of Andrea Gorfolova
sworn on December 9, 2016



A Commissioner for the taking of affidavits, etc.

Holland & Knight

200 South Orange Avenue, Suite 2600 | Orlando, FL 32801 | T 407.425.8500 | F 407.244.5288
Holland & Knight LLP | www.hklaw.com

Suzanne E. Gilbert
(407) 244-1142
suzanne.gilbert@hklaw.com

September 14, 2016

1462598 Ontario Inc. d/b/a
Tricon Films and Television
c/o Andrea Gorfolova
372 Richmond Street West
Suite 200
Toronto, Ontario M5V 1X6

Re: Loan from SunTrust Bank (“SunTrust”) to 1462598 Ontario Inc. d/b/a Tricon Films and Television (“Tricon”), unconditionally guaranteed by various affiliates and subsidiaries listed on Exhibit A hereto and with a limited guaranty provided by Andrea Gorfolova, as evidenced by various loan documents executed by Tricon in favor of SunTrust, including but not limited to the following (together with any and all other documents executed in connection with or in support of the above-described Loan, and any other documents executed in connection with this Agreement including all modifications and amendments thereto, are hereinafter referred to as the “**Loan Documents**”):

(1) that certain Revolving Credit, Security, Guaranty and Pledge Agreement dated as of August 22, 2013 among Borrower, Guarantors, and Lender, which provides for, *inter alia*, the grant of first priority security interest in the Collateral as defined there in, the guaranty of the Loan by Guarantors who are comprised of all affiliates and subsidiaries of Borrower¹, and the pledge of certain securities to secure the indebtedness;

(2) that certain Note in the original principal amount of \$20,000,000.00, dated as of August 22, 2013 executed by Borrower as maker and payable to Lender (as may be amended, restated or modified from time to time, the “**Note**”);

¹ The then-existing subsidiaries and affiliates are identified on Exhibit A hereto. The terms Guarantors and Credit Parties include all current and future-existing subsidiaries and affiliates of Borrower.

1462598 Ontario Inc. d/b/a
 Tricon Films and Television
 September 14, 2016
 Page 2

(3) that certain Copyright Security Agreement dated August 22, 2013, executed by Credit Parties in favor of Lender and granting a first priority security interest in all of the Credit Parties' right, title and interest in and to all personal property, tangible and intangible, wherever located or situated and whether then owned, then-existing or thereafter acquired or created, including but not limited to all goods, accounts, instruments, intercompany obligations, contract rights, general intangibles, equipment, machinery, inventory, copyrights, trademarks, tradenames, and all other property described therein.;

(4) that certain Amendment No. 1 and Waiver dated July 29, 2014 among Borrower, Guarantors and Lender, amending certain provisions of the Credit Agreement;

(5) that certain Amendment No. 2 dated October 28, 2014 among Borrower, Guarantors and Lender, further amending certain provisions of the Credit Agreement;

(6) that certain Forbearance Agreement dated August 19, 2015, as modified on October 31, 2015, January 31, 2016 and April 30, 2016.

Dear Ms. Gorfolova:

This firm represents SunTrust with respect to the above-referenced Loan. Borrower is in default under the Loan for failure to pay all amounts due and owing on July 31, 2016, the Termination Date under the Forbearance Agreement, as modified ("Event of Default"). SunTrust hereby gives you formal notice of the Event of Default and by copy of this letter gives notice of the Event of Default to each of the Guarantors, by notice to their representative, Andrea Gorfolova.

As a result of the Event of Default, SunTrust hereby exercises its rights under the Loan Documents and declares the following amounts to be immediately due and payable to SunTrust by Borrower and Guarantors as of September 9, 2016.

1)	Loan # 21392346-34	
	Principal	\$5,386,241.81
	Interest	116,869.00
	Total	\$5,503,110.81

With interest continuing to accrue at a rate of \$826.463 per diem.

1462598 Ontario Inc. d/b/a
 Tricon Films and Television
 September 14, 2016
 Page 3

2) Loan # 21392346-91

Principal	\$200,000.00
Interest	4,339.54
Total	\$204,339.54

With interest continuing to accrue at a rate of \$30.688 per diem.

3) Loan # 21392346-109

Principal	\$65,000.00
Interest	1,528.13
Total	\$66,528.13

With interest continuing to accrue at a rate of \$9.973 per diem.

4) Loan # 21392346-59

Principal	\$5,344,068.85
Interest	68,805.04
Total	\$5,412,873.89

With interest continuing to accrue at a rate of \$809.422 per diem.

The above amounts total **\$11,186,852.37** (the "Total Amount"). If the Total Amount, including additional per diem interest, is not paid in full to SunTrust on or before September 26, 2016, SunTrust may avail itself of all remedies available under the Loan Documents and applicable law, including the application of the default rate of interest as early as the first date of default under the Loans as described in the Forbearance Agreement.

SunTrust is not obligated to and has not agreed to renew, extend or refinance the Loan, and has further not agreed to forbear from exercising any of its rights and remedies under the terms and conditions of the Loan Documents governing the loan or as otherwise provided by law. No further advances are available under the Loans.

Any action or inaction by SunTrust shall not constitute: (i) a waiver of SunTrust's right to declare all sums immediately due and payable; (ii) a waiver of SunTrust's right to declare the aforementioned violation as an Event of Default under the Loan Documents; (iii) a waiver of SunTrust's right to declare an Event of Default in connection with any other existing or subsequent violation by the Borrower of any provision of the Loan Documents; or (iv) a waiver of any right, remedy or power of SunTrust under the Loan Documents, or as provided by applicable law.

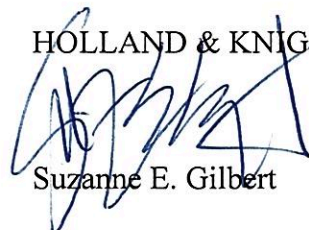
1462598 Ontario Inc. d/b/a
Tricon Films and Television
September 14, 2016
Page 4

Any future negotiations or discussions with any representative of SunTrust regarding the Loan or any of the Loan Documents shall not bind SunTrust unless and until SunTrust approves any agreement and such agreement has been reduced to writing and signed by an authorized representative of SunTrust.

Please find enclosed and served upon you a Notice of Intention to Enforce Security in accordance with Section 244 of the Bankruptcy and Insolvency Act (Canada).

Sincerely yours,

HOLLAND & KNIGHT LLP



Suzanne E. Gilbert

cc: Juan DeJesus-Caballero
James Gage, Esq.
Andrea Gorfolova (Guarantor)

SEG:dcs
Enclosure as noted

1462598 Ontario Inc. d/b/a
Tricon Films and Television
September 14, 2016
Page 5

EXHIBIT A

CORPORATE GUARANTORS:

Operator Post Inc.
Tricon Films Inc.
Tricon Television Inc.
Tricon Television10 Inc.
Tricon Television28 Inc.
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1462598 Ontario Inc. d/b/a
Tricon Films and Television
September 14, 2016
Page 6

Tricon Television73 Inc.
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Tricon Films (UK) Limited
Tricon Media Holdings, Inc.
Tricon Media Productions, Inc.
Tricon Media Holdings, Inc.
Tricon Media, Inc.
Tricon US Productions1 Inc.
Tricon US Productions14 Inc.
Tricon US Productions15 Inc.

INDIVIDUAL LIMITED GUARANTOR

Andrea Gorfolova

FORM 86

Notice of Intention to Enforce a Security
(Rule 124)

To: Each of 1462598 Ontario Inc. (d/b/a Trivon Films and Television) ("**Borrower**") and the persons listed at Schedule "A" hereto (the "**Guarantors**", and together with the Borrower, the "**Credit Parties**"), each an insolvent person

Take notice that:

1. SunTrust Bank ("**Lender**"), a secured creditor, intends to enforce its security on each insolvent person's property described below:
 - (a) the Collateral of such Credit Party (as "Collateral" is defined in the revolving credit, security, guaranty and pledge agreement dated as of August 22, 2013 among Borrower, the Guarantors and Lender as amended by the amendment and waiver dated July 29, 2014 ("**Amendment No. 1 and Waiver**") among Borrower, Guarantors and Lender, the amendment dated October 28, 2014 ("**Amendment No. 2**") among Borrower, Guarantors and Lender, and the forbearance agreement dated August 19, 2015 ("**Forbearance Agreement**"), as modified on October 31, 2015, January 31, 2016 and April 30, 2016 (collectively, the "**Credit Agreement**");
 - (b) the Pledged Securities as defined in the Credit Agreement and all proceeds (as defined in the *Personal Property Security Act*, R.S.O. 1990 c.P.10 or Section 9-1-2(64) of the Uniform Commercial Code as in effect in the State of New York, as applicable; and
 - (c) all right, title and interest of such Credit Party in and to all personal property, tangible and intangible, wherever located or situated and whether then owned, then-existing or thereafter acquired or created, including but not limited to all goods, accounts, instruments, intercompany obligations, contract rights, general intangibles, equipment, machinery, inventory, copyrights, trademarks, tradenames, and all other property described in the copyright security agreement dated August 22, 2013 (the "**Copyright Security Agreement**") executed by the Borrower and Guarantors in favour of Lender.
2. The security to be enforced is in the form of the following:
 - (a) that Credit Agreement; and
 - (b) the Copyright Security Agreement.
3. The total amount of indebtedness secured by the security is **\$11,186,852.37** as of September 9, 2016, plus any additional indebtedness arising thereafter, interest thereon and costs.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Orlando, Florida this 14th day of September, 2016

SunTrust Bank
By: _____
Name: *JUAN DE LOS RIOS CABALLERO*
Title: *SENIOR VICE PRESIDENT*

SCHEDULE "A"**CORPORATE GUARANTORS**

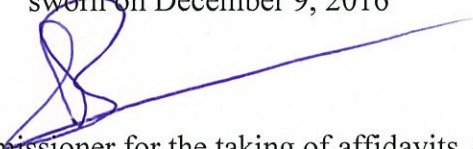
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Tricon US Productions14 Inc.
Tricon US Productions15 Inc.

INDIVIDUAL LIMITED GUARANTOR

Andrea Gorfolova

This is Exhibit "I" to the Affidavit of Andrea Gorfolova
sworn on December 9, 2016



A Commissioner for the taking of affidavits, etc.

Summary of Other Creditors

Creditor	Debtor	Collateral Description
Actra Performers' Rights Society	Tricon Television Inc.	Security Agreement dated December 12 & 14, 2000, with respect to the production "Matchmaker"
	Tricon Television35 Inc.	Security Agreement dated May 11, 2008 with respect to the production entitled "The Next Star"
	Tricon Television41 Inc.	No description (I,E,A,O,MV)
	Tricon Television43 Inc.	No description (I,E,A,O,MV)
	Tricon Television44 Inc.	All present and after acquired personal property in respect of the production entitled "Ex Wives of Rock"
	Tricon Television47 Inc.	No description (I,E,A,O,MV)
	Tricon Television48 Inc.	No description (I,E,A,O,MV)
	Tricon Television50 Inc.	No description (I,E,A,O,MV)
	Tricon Television55 Inc.	All present and after acquired personal property in respect of the production entitled "The Next Star - Season VI"
	Tricon Television59 Inc.	No description (I,E,A,O,MV)
	Tricon Television66 Inc.	All present and after acquired property in respect of the production currently entitled "The Next Star – Super Group"
	Tricon Television68 Inc.	All present and after acquired property in respect of the production currently entitled "Mission 4 Count"
	Tricon Television75 Inc.	All present and after acquired property in respect of the production currently entitled "YTV Summer Beach Bash"
Tricon Television84 Inc.	All present and after acquired property in respect of the production currently entitled "YTV Summer Beach Bash" season 1	

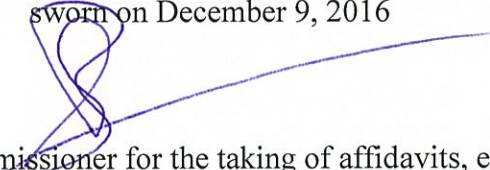
Summary of Other Creditors

Bravo Media Productions LLC	1462598 Ontario Inc. Tricon Television80 Inc. Tricon Television81 Inc.	Assignment of all the rights in the television series entitled "Apres Ski" Assignment of all the rights in the television series entitled "The Lodge" Assignment of all the rights in the television series entitled "Apres Ski"
Cooking Channel, LLC	Tricon Films Inc. Tricon Television62 Inc. Tricon Media, Inc.	No description (I,E,A,O,MV) No description (I,E,A,O,MV) All rights, title and interest in the television series entitled "Nadia G's Bitchin' Kitchen"
Independent Film Channel LLC	Tricon Media, Inc.	All of debtors rights, properties, assets and things of value...whether now in existence or hereafter created and whether now owned or hereafter acquired
National Bank of Canada	Tricon Films (UK) Limited	All monies due from the company to the charge in relation to the to the series entitled "Sanctuary" season 2
Ovation R &G, LLC	Tricon Media, Inc.	All of the rights, title and interest in the television series currently entitled "Mick Rock"
Roynat Inc.	1462598 Ontario Inc. Operator Post Inc.	Audio Visual equipment(s), media composers(s), software(s) Audio Visual equipment(s), media composers(s), software(s)
Shaw Media Inc	1462598 Ontario Inc. Tricon Television44 Inc. Tricon Television54 Inc.	Security interest in the program currently entitled "Breakneck Builds" season 1 & "Humble Home Hunters" season 1 Security interest in the program currently entitled "Ex Wives of Rock" season 2 Security interest in the program currently entitled "Restaurant Makeover" season 6

Summary of Other Creditors

	Tricon Television57 Inc.	Security interest in the program currently entitled "Restaurant Makeover" season 6
	Tricon Television64 Inc.	Security interest in the program currently entitled "Breakneck Builds" season 1
	Tricon Television85 Inc.	Security interest in the program currently entitled "The Expandables" season 2
	Tricon Television86 Inc.	Security interest in the program currently entitled "Humble Home Hunters" season 1
Union of B.C. Performers	Tricon Television41 Inc.	All personal and after acquired personal property (I,E,A,O,MV)
	Tricon Television43 Inc.	All personal and after acquired personal property (I,E,A,O,MV)
	Tricon Television47 Inc.	All personal and after acquired personal property (I,E,A,O,MV)
	Tricon Television55 Inc.	All personal and after acquired personal property (I,E,A,O,MV)
	Tricon Television59 Inc.	All personal and after acquired personal property (I,E,A,O,MV)
	Tricon Television77 Inc.	All personal and after acquired personal property (I,E,A,O,MV)
Universal City Studio Production, LLLP	1462598 Ontario Inc.	Assignment of all the rights in the television series entitled "Apres Ski"
Walt Disney EMEA Productions Limited	Tricon Television82 Inc.	Assignment of all the rights in the television series entitled "Apres Ski"
Xerox Canada Ltd	Tricon Films Inc.	No description (E, O)

This is Exhibit "J" to the Affidavit of Andrea Gorfolova
sworn on December 9, 2016



A Commissioner for the taking of affidavits, etc.

Katten

Katten Muchin Rosenman LLP

575 Madison Avenue
 New York, NY 10022-2565
 212.940.6600 tel
 212.940.8776

Facsimile

To	Company	Fax Number	Phone Number
1. Andrea Gorfolova	Tricon Media Inc.	416-341-0173	
2. Robert J. Sherman	Greenberg Traurig, LLP	310-586-0550	

Date	Client/Matter Number
November 21, 2016	-
From	Attorney Number
Matthew W. Olsen	42442
Phone	Fax
212.940.6472	212.894.5503

**Total number of pages, including cover letter:
 If you do not receive all of the pages, please call: 212.940.8800**

Comments

For Messenger Department Use Only

Your fax has been sent. Attached is your original.

 Date Time

 Signature

Important

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If you are not the intended recipient (or an employee or agent responsible for delivering this facsimile transmission to the intended recipient), you are hereby notified that any copying, disclosure or distribution of this information may be subject to legal restriction or sanction. Please notify the sender by telephone to arrange for the return or destruction of the information and all copies.

IFC TV LLC
AMC Film Holdings LLC
11 Penn Plaza
New York, New York 10001
Fax: 212 324-4620

November 21, 2016

VIA FACSIMILE AND CERTIFIED MAIL

Tricon Media Inc.
372 Richmond Street West
Suite 200
Toronto, Ontario M5V 1X6
Fax: (416) 341-0173
Attn: Andrea Gorfolova

RE: Notice of Breach, Termination of Agreements and Reservation of Rights

Dear Ms. Gorfolova:

We refer to that certain (i) Distribution Agreement, dated as of July 13, 2012 (the "IFC Distribution Agreement"), by and between Independent Film Channel LLC, now known as IFC TV LLC ("IFC") and Tricon Media Inc. ("Tricon"), (ii) Agreement, dated as of November 14, 2014 (the "IFC Sales Agency Agreement"), by and between IFC and Tricon, (iii) Distribution Agreement, dated as of October 4, 2013 (the "AMC Distribution Agreement"), by and between AMC Film Holdings LLC ("AMC") and Tricon and (iv) Agreement, dated as of November 14, 2014 (the "AMC Sales Agency Agreement", and together with the IFC Sales Agency Agreement, the "Sales Agency Agreements"), by and between AMC and Tricon. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Sales Agency Agreements.

Under the terms of the IFC Sales Agency Agreement, IFC and Tricon agreed to terminate the IFC Distribution Agreement, subject to certain surviving provisions, and Tricon has since acted as IFC's sales agent for purposes of soliciting and negotiating licensing and distribution agreements with respect to the exploitation of the Defined Series in the Territory. Under the terms of the AMC Sales Agency Agreement, IFC and Tricon agreed to terminate AMC Distribution Agreement, subject to certain surviving provisions, and Tricon has since acted as AMC's sales agent for purposes of soliciting and negotiating licensing and distribution agreements with respect to the exploitation of the series *The Divide* in the Territory.

Pursuant to Section 7 of the IFC Sales Agency Agreement, Tricon was obligated to pay to IFC outstanding minimum guaranties due with respect to episodes of the Defined Series delivered as of the date thereof in the amount of \$4,042,367.62, plus interest at a rate of eight percent (8%) per annum, compounded monthly (the "Pre-November 14, 2014 IFC Receivable").

Tricon Media Inc.
November 21, 2016
Page 2

The first fifty percent installment of Pre-November 14, 2014 IFC Receivable was due on May 14, 2015, and the balance was due no later than November 14, 2015. In addition, pursuant to Section 4.b. of the IFC Sales Agency Agreement, Tricon was obligated to pay to IFC minimum guaranty payments with respect to episodes of the Defined Series delivered after the date thereof (the "Post-November 14, 2014 IFC Minimum Guaranties"). The minimum guaranties for each episode of the Defined Series delivered after the date of the IFC Sales Agency Agreement were required to be paid by Tricon as follows: fifty percent (50%) on physical delivery of such episode; twenty-five percent (25%) six (6) months after physical delivery of such episode; and twenty-five percent (25%) twelve (12) months after physical delivery of such episode. Any Post-November 14, 2014 IFC Minimum Guaranties not timely paid were to be added to the Pre-November 14, 2014 IFC Receivable and accrue interest as described above. Tricon has failed and refused to pay the Pre-November 14, 2014 IFC Receivable and the Post-November 14, 2014 IFC Minimum Guaranties when due and continues to owe IFC payment in the amount of \$6,159,685, plus applicable interest, fees and expenses.

Pursuant Section 4 of the AMC Sales Agency Agreement, Tricon was obligated to pay to AMC outstanding minimum guaranties due with respect to *The Divide* in the amount of \$1,847,052 (the "AMC Receivable"). The first fifty percent installment of AMC Receivable was due on July 1, 2015 and the balance was due no later than December 1, 2015. Tricon has failed and refused to pay the AMC Receivable when due and continues to owe AMC payment of the AMC Receivable in the amount of \$1,687,052, plus applicable interest, fees and expenses.

Tricon's recurring and willful failures to pay the amounts due to AMC and IFC under the Sales Agency Agreements when due constitute material breaches of Tricon's obligations under both such agreements.

Accordingly, this letter constitutes notice that (i) IFC hereby terminates the IFC Sales Agency Agreement, pursuant to Section 14 thereof, effective immediately, and (ii) AMC hereby terminates the AMC Sales Agency Agreement, pursuant to Section 11 thereof, effective immediately. Pursuant Section 15.3, 15.4 and 15.5 of the IFC Distribution Agreement (which provisions survived termination of the IFC Distribution Agreement), Tricon is immediately obligated to do the following:

- "[R]eturn to IFC all Programs and materials relating to the Programs in its possession and ... immediately cease to hold itself out in any manner which might give the general public, or any member thereof, the impression that this Agreement is still in force
- [C]ontinue to remit payment [to IFC] on all payments outstanding per the provisions [t]herein

Tricon Media Inc.
November 21, 2016
Page 3

- [I]Immediately notify all sub-distributors and/or all licensees that all Gross Receipts shall be paid directly to IFC and IFC shall have the right to notify such third parties of the same.”

AMC and IFC expressly reserve all rights, claims and interests under those certain guaranties executed by Tricon Films & Television in favor of AMC and IFC on November 14, 2014 and that certain Security Agreement executed by Tricon in favor of IFC on November 14, 2014.

The foregoing does not constitute and is not intended to constitute a complete listing of all breaches and claims that may exist under the Sales Agency Agreements. Nothing contained in this letter or in any discussions, whether written or verbal, either before or after the date of this letter, with Tricon or any of its affiliates, officers, employees or representatives, (a) constitutes an amendment of, or agreement to amend, the Sales Agency Agreements or a waiver of any of the terms and provisions of, or of any of AMC's and IFC's respective rights and remedies under, the Sales Agency Agreements, (b) constitutes an extension of any of the time periods for Tricon's performance of its obligations under the Sales Agency Agreements, (c) constitutes a waiver of any breach under the Sales Agency Agreements, (d) limits or is intended to limit or in any way affects, any of IFC's or AMC's rights or remedies under the Sales Agency Agreements with respect to any past, present or future breach.

AMC and IFC hereby reserve all rights and remedies available to them under the Sales Agency Agreements and under applicable law. AMC and IFC further reserve their right at any time and from time to time to take any action available to either in connection with the foregoing, which either deems appropriate under the circumstances in their sole discretion, including, without limitation, the right to enforce the Guaranties or the Security Agreement. The amounts of Tricon's obligations stated in this letter agreement continue to accrue interest under the terms of the Sales Agency Agreements and AMC and IFC hereby reserve all rights to make additional demands of and claims against Tricon under the Sales Agency Agreements and applicable law, including, without limitation, by seeking indemnity for losses incurred to third-parties caused by Tricon's breaches, as well as IFC's and AMC's attorneys' fees and costs.

Sincerely,

IFC TV LLC

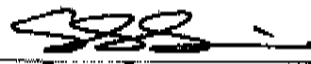
By: 

Name: Sean Sullivan

Its: EVP & CFO

Tricon Media Inc.
November 21, 2016
Page 4

AMC Film Holdings LLC

By: 
Name: *Sean Sullivan*
Its: *CFo*

cc: Tricon Films & Television
786 King Street West
Toronto, Ontario, Canada M5V 1N6
Facsimile: (416) 341-0173
Attention: Andrea Gorfolova

Greenberg Traurig, LLP
1840 Century Park East
Suite 1900
Los Angeles, CA 90067
Fax: (310) 586-0550
Attn: Robert J. Sherman

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) WEEKDAY, THE #
JUSTICE)
) DAY OF MONTH, 20YR

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

~~AND~~ IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
[APPLICANT'S NAME] (the "Applicant")
1462598 ONTARIO INC., carrying on business as TRICON FILMS AND TELEVISION,
AND THE OTHER COMPANIES LISTED IN SCHEDULE "A"

APPLICANTS

INITIAL ORDER

THIS APPLICATION, made by the ~~Applicant~~ Applicants, pursuant to the *Companies' CREDITORS Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of ~~[NAME]~~ Andrea Gorfolova sworn ~~[DATE]~~ December 9, 2016 (the "Gorfolova Affidavit") and the Exhibits thereto, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME][†] although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of ~~[MONITOR'S NAME]~~ KSV Kofman Inc. to act as the Monitor,

[†]Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated² so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the ~~Applicant is a company~~ Applicants are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the ~~Applicant~~ Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the ~~Applicant~~ Applicants shall remain in possession and control of ~~its~~ their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"). Subject to further Order of this Court, the ~~Applicant~~ Applicants shall ~~continue to~~ carry on business in a manner consistent with the preservation of ~~its business~~ the value of their businesses (the "Business") and Property on the basis described in the Gorfolova Affidavit. The ~~Applicant is~~ Applicants are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "Assistants") currently retained or employed by ~~it~~ them, with liberty to retain such further Assistants as ~~it deems~~ they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

² ~~If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

5. {THIS COURT ORDERS that the ~~Applicant~~Applicants shall be entitled to continue to utilize the central cash management system³ currently in place as described in the Gorfolova Affidavit of [NAME] sworn [DATE] or replace it with another substantially similar central cash management system (the "Cash Management System") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the ~~Applicant~~Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the ~~Applicant~~Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.†

6. THIS COURT ORDERS that the ~~Applicant~~Applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the ~~Applicant~~Applicants in respect of these proceedings, at their standard rates and charges.

7. THIS COURT ORDERS that, except as otherwise provided to the contrary herein, the ~~Applicant~~Applicants shall be entitled but not required to pay all reasonable expenses incurred by the ~~Applicant~~Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

³~~This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross border and inter company transfers of cash.~~

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the ~~Applicant~~Applicants following the date of this Order.

8. THIS COURT ORDERS that the ~~Applicant~~Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the ~~Applicant~~Applicants in connection with the sale of goods and services by the ~~Applicant~~Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the ~~Applicant~~Applicants.

9. THIS COURT ORDERS that until a real property lease is disclaimed ~~for resiliated~~⁴ in accordance with the CCAA, the ~~Applicant~~Applicants shall pay all amounts constituting rent or

⁴~~The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the ~~Applicant~~Applicants and the landlord from time to time ("Rent"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. THIS COURT ORDERS that, except as specifically permitted herein, the ~~Applicant~~Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the ~~Applicant~~Applicants to any of ~~its~~their creditors as of this date, except to the DIP Lender in accordance with the Commitment Letter; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of ~~its~~their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING AND ORDERLY WIND DOWN

11. THIS COURT ORDERS that the ~~Applicant~~Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, ~~and to dispose of redundant or non-material assets not exceeding \$•100,000 in any one transaction or \$•250,000 in the aggregate~~⁵;
- (b) ~~terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate~~; and
- (c) pursue ~~all avenues of refinancing~~ a sale or liquidation of its Business or Property, in whole or part, subject to prior approval of this Court being obtained ~~before~~for any ~~material refinancing~~ sale or liquidation,

⁵~~Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.~~

all of the foregoing to permit the ~~Applicant~~Applicants to proceed with an orderly ~~restructuring~~sale or winding down of the Business ~~(the "Restructuring")~~.

12. THIS COURT ORDERS that the ~~Applicant~~Applicants shall provide each of the relevant landlords with notice of the ~~Applicant's~~Applicants' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the ~~Applicant's~~Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the ~~Applicant~~Applicants, or by further Order of this Court upon application by the ~~Applicant~~Applicants on at least two (2) days notice to such landlord and any such secured creditors. If the ~~Applicant disclaims~~ ~~for~~ ~~resiliates~~Applicants disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, ~~it~~they shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer ~~for~~ ~~resiliation~~ of the lease shall be without prejudice to the ~~Applicant's~~Applicants' claim to the fixtures in dispute.

13. THIS COURT ORDERS that if a notice of disclaimer ~~for~~ ~~resiliation~~ is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer ~~for~~ ~~resiliation~~, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the ~~Applicant~~Applicants and the Monitor 24 hours¹² prior written notice, and (b) at the effective time of the disclaimer ~~for~~ ~~resiliation~~, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the ~~Applicant~~Applicants in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE ~~APPLICANT~~APPLICANTS OR THE PROPERTY

14. THIS COURT ORDERS that until and including ~~[DATE—MAX. 30 DAYS]~~January 6, 2017, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or

continued against or in respect of the [ApplicantApplicants](#) or the Monitor, or affecting the Business or the Property, except with the written consent of the [ApplicantApplicants](#) and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the [ApplicantApplicants](#) or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of the [ApplicantApplicants](#) or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the [ApplicantApplicants](#) and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the [ApplicantApplicants](#) to carry on any business which the [Applicant isApplicants are](#) not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

16. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the [ApplicantApplicants](#), except with the written consent of the [ApplicantApplicants](#) and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the [ApplicantApplicants](#) or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the [ApplicantApplicants](#), are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the [ApplicantApplicants](#),

and that the ~~Applicant~~Applicants shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the ~~Applicant~~Applicants in accordance with normal payment practices of the ~~Applicant~~Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the ~~Applicant~~Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

18. THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the ~~Applicant~~Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.⁶

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the ~~Applicant~~Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the ~~Applicant~~Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the ~~Applicant~~Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the ~~Applicant~~Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. THIS COURT ORDERS that the ~~Applicant~~Applicants shall indemnify ~~its~~their directors and officers against obligations and liabilities that they may incur as directors or officers of the

⁶~~This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).~~

~~Applicant~~Applicants after the commencement of the within proceedings,⁷ except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director~~'s~~'s or officer~~'s~~'s gross negligence or wilful misconduct.

21. THIS COURT ORDERS that the directors and officers of the ~~Applicant~~Applicants shall be entitled to the benefit of and are hereby granted a charge (the ~~"Directors' Charge"~~")⁸ on the Property, which charge shall not exceed an aggregate amount of \$~~250,000~~250,000, as security for the indemnity provided in paragraph ~~{20}~~ of this Order. The Directors' Charge shall have the priority set out in paragraphs ~~{38}~~ and ~~{40}~~ herein.

22. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors~~'~~' Charge, and (b) the ~~Applicant's~~Applicants' directors and officers shall only be entitled to the benefit of the Directors~~'~~' Charge to the extent that they do not have coverage under any directors~~'~~' and officers~~'~~' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~{20}~~ of this Order.

APPOINTMENT OF MONITOR

23. THIS COURT ORDERS that ~~[MONITOR'S NAME]~~KSV Kofman Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the ~~Applicant~~Applicants with the powers and obligations set out in the CCAA or set forth herein and that the ~~Applicant~~Applicants and ~~its~~their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the ~~Applicant~~Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor~~'s~~'s functions.

24. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

~~⁷The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.~~

~~⁸Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

- (a) monitor the ~~Applicant's~~Applicants' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the ~~Applicant~~Applicants, to the extent required by the ~~Applicant~~Applicants, in ~~its~~their dissemination, to the DIP Lender and its counsel ~~on a [TIME INTERVAL] basis as contemplated by the Commitment Letter (defined below)~~ of financial and other information as agreed to between the ~~Applicant~~Applicants and the DIP Lender, ~~(defined below)~~ which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;
- (d) advise the ~~Applicant~~Applicants in ~~its~~their preparation of the ~~Applicant's~~Applicants' cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel ~~on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by the DIP Lender~~as required under the Commitment Letter;
- (e) advise the ~~Applicant~~Applicants in ~~its~~their development of the Plan and any amendments to the Plan;
- (f) assist the ~~Applicant~~Applicants, to the extent required by the ~~Applicant~~Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the ~~Applicant~~Applicants, to the extent that is necessary to adequately assess the ~~Applicant's~~Applicants' business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; ~~and~~

- (i) perform such other duties as are required by this Order or by this Court from time to time;
- (j) assist, to the extent required, with the wind-down of the Business and operations of the Applicants; and
- (k) assist the Applicants and SunTrust, to the extent required, in protecting and realizing on tax credits, including making the necessary filings in relation thereto.

25. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

26. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

27. THIS COURT ORDERS that that the Monitor shall provide any creditor of the ~~Applicant~~Applicants and the DIP Lender with information provided by the ~~Applicant~~Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the

information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the ~~Applicant is~~Applicants are confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the ~~Applicant~~Applicants may agree.

28. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

29. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the ~~Applicant~~Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the ~~Applicant~~Applicants as part of the costs of these proceedings. The ~~Applicant is~~Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the ~~Applicant~~Applicants on a ~~{TIME-INTERVAL}~~monthly basis ~~and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant, retainers in the amount[s] of \$● [, respectively,] to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.~~

30. THIS COURT ORDERS that if requested by the Court or any interested party, the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

31. THIS COURT ORDERS that the Monitor, counsel to the Monitor, ~~if any~~, and the ~~Applicant's~~Applicants' counsel shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of \$● 500,000 as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~{38}~~ and ~~{40}~~ hereof.

DIP FINANCING

32. THIS COURT ORDERS that the ~~Applicant is~~Applicants are hereby authorized and empowered to obtain and borrow under a credit facility from ~~{DIP LENDER'S NAME}~~ (the "SunTrust Bank (in such capacity, the "DIP Lender"")) in order to finance the ~~Applicant's~~Applicants' working capital requirements and other general corporate purposes and capital expenditures, ~~provided that borrowings under such credit facility shall not exceed \$● unless permitted by further Order of this Court.~~

33. THIS COURT ORDERS ~~THAT~~that such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the ~~Applicant~~Applicants and the DIP Lender dated as of ~~{DATE}~~December ●, 2016 (the "Commitment Letter"), filed.

34. THIS COURT ORDERS that the ~~Applicant is~~Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "Definitive Documents"), as are contemplated by the Commitment Letter or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the ~~Applicant is~~Applicants are hereby authorized and directed to pay and perform all of ~~its~~their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

35. THIS COURT ORDERS that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "DIP Lender's Charge") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs ~~{38}~~ and ~~{40}~~ hereof.

36. THIS COURT ORDERS that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon ~~●~~ 3 business days notice to the ~~Applicant~~Applicants and the Monitor, may exercise any and all of its rights and remedies against the ~~Applicant~~Applicants or the Property under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the ~~Applicant~~Applicants and set off and/or consolidate any amounts owing by the DIP Lender to the ~~Applicant~~Applicants against the obligations of the ~~Applicant~~Applicants to the DIP Lender under the Commitment Letter, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the ~~Applicant~~Applicants and for the appointment of a trustee in bankruptcy of the ~~Applicant~~Applicants; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the ~~Applicant~~Applicants or the Property.

37. THIS COURT ORDERS AND DECLARES that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the ~~Applicant~~Applicants under the CCAA, or any proposal filed by the ~~Applicant~~Applicants under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

38. THIS COURT ORDERS that the priorities of the Directors' Charge, the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows⁹:

First – Administration Charge (to the maximum amount of \$●500,000);

Second – DIP Lender's Charge; and

Third – Directors' Charge (to the maximum amount of \$●250,000).

39. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge, the Administration Charge or the DIP Lender's Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

40. THIS COURT ORDERS that each of the Directors' Charge, the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property ~~and such Charges~~. The Administration Charge and the DIP Lender's Charge shall rank in priority to the security interests in favour of SunTrust but behind all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, ~~"Encumbrances"~~ "Encumbrances") in favour of any Person ~~that has not been served with the notice of the application for this Order~~. The Directors' Charge shall rank subsequent in priority to the security interests in favour of SunTrust and any Encumbrances that rank in priority to SunTrust and also subsequent in priority to all other Encumbrances in favour of any Person that has not been served with the notice of the application for this Order. The Applicants and the beneficiaries of the Charges shall be entitled to seek priority ahead of all Encumbrances (other than the Directors' Charge, which shall remain subsequent in priority to the DIP Lender's Charge) on notice to those parties likely to be affected by such priority (it

⁹~~The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

being the intention of the Applicants to seek, at the Comeback Motion (as defined below), priority for the Administration Charge and DIP Lender's Charge ahead of all Encumbrances and priority for the Directors' Charge ahead of all Encumbrances other than the DIP Lender's Charge). The security granted by the Definitive Documents charging the Property shall have the same priority as the DIP Lender's Charge.

41. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the ~~Applicant~~Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, the Administration Charge or the DIP Lender's Charge, unless the ~~Applicant~~Applicants also ~~obtains~~obtain the prior written consent of the Monitor, the DIP Lender and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

42. THIS COURT ORDERS that the Directors' Charge, the Administration Charge, the Commitment Letter, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the ~~Applicant~~Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Commitment Letter or the Definitive Documents shall create or be deemed to constitute a breach by the ~~Applicant~~Applicants of any Agreement to which ~~it is~~they are a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the ~~Applicant~~Applicants

- entering into the Commitment Letter, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the ~~Applicant~~Applicants pursuant to this Order, the Commitment Letter or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the ~~Applicant's~~Applicants' interest in such real property leases.

SERVICE AND NOTICE

44. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in ~~[newspapers specified by the Court]~~The Globe and Mail a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the ~~Applicant~~Applicants of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available (except that the names, addresses and claim amounts of any employee creditors shall not be published) in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

45. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance

with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ~~“@”~~:
<http://www.ksvadvisory.com/insolvency-cases/tricon-films-&-television/>.

46. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the ~~Applicant~~Applicants and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the ~~Applicant's~~Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the ~~Applicant~~Applicants and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

COMEBACK MOTION

47. THIS COURT ORDERS that the Applicants are authorized to serve their motion materials with respect to their motion to elevate the priority of the Charges (the “Comeback Motion”) by forwarding a copy of this Order and any additional materials to be filed with respect to the Comeback Motion by electronic transmission, where available, or by courier to each of the parties likely to be affected by the relief to be sought, at each such party’s address as last shown on the records of the Applicants.

GENERAL

48. ~~47.~~ THIS COURT ORDERS that the ~~Applicant~~Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

49. ~~48.~~ THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the ~~Applicant~~Applicants, the Business or the Property.

50. ~~49.~~ THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give

effect to this Order and to assist the ~~Applicant~~Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the ~~Applicant~~Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the ~~Applicant~~Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

51. ~~50.~~ THIS COURT ORDERS that each of the ~~Applicant~~Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

52. ~~51.~~ THIS COURT ORDERS that any interested party (including the ~~Applicant~~Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

53. ~~52.~~ THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard~~Daylight~~ Time on the date of this Order.

Schedule "A"

<u>1.</u>	<u>1462598 Ontario Inc.</u>	<u>40.</u>	<u>Tricon Media Holdings, Inc.</u>
<u>2.</u>	<u>Operator Post Inc.</u>	<u>41.</u>	<u>Tricon Media Productions, Inc.</u>
<u>3.</u>	<u>Tricon Education Inc.</u>	<u>42.</u>	<u>Tricon Media, Inc.</u>
<u>4.</u>	<u>Tricon Films Inc.</u>	<u>43.</u>	<u>Tricon US Productions1 Inc.</u>
<u>5.</u>	<u>Tricon Interactive Inc.</u>	<u>44.</u>	<u>Tricon US Productions14 Inc.</u>
<u>6.</u>	<u>Tricon Television Inc.</u>	<u>45.</u>	<u>Tricon US Productions15 Inc.</u>
<u>7.</u>	<u>Tricon Television10 Inc.</u>	<u>46.</u>	<u>Tricon Films (UK) Limited</u>
<u>8.</u>	<u>Tricon Television44 Inc.</u>		
<u>9.</u>	<u>Tricon Television49 Inc.</u>		
<u>10.</u>	<u>Tricon Television54 Inc.</u>		
<u>11.</u>	<u>Tricon Television55 Inc.</u>		
<u>12.</u>	<u>Tricon Television58 Inc.</u>		
<u>13.</u>	<u>Tricon Television59 Inc.</u>		
<u>14.</u>	<u>Tricon Television62 Inc.</u>		
<u>15.</u>	<u>Tricon Television63 Inc.</u>		
<u>16.</u>	<u>Tricon Television64 Inc.</u>		
<u>17.</u>	<u>Tricon Television65 Inc.</u>		
<u>18.</u>	<u>Tricon Television66 Inc.</u>		
<u>19.</u>	<u>Tricon Television67 Inc.</u>		
<u>20.</u>	<u>Tricon Television68 Inc.</u>		
<u>21.</u>	<u>Tricon Television69 Inc.</u>		
<u>22.</u>	<u>Tricon Television70 Inc.</u>		
<u>23.</u>	<u>Tricon Television71 Inc.</u>		
<u>24.</u>	<u>Tricon Television72 Inc.</u>		
<u>25.</u>	<u>Tricon Television73 Inc.</u>		
<u>26.</u>	<u>Tricon Television74 Inc.</u>		
<u>27.</u>	<u>Tricon Television75 Inc.</u>		
<u>28.</u>	<u>Tricon Television76 Inc.</u>		
<u>29.</u>	<u>Tricon Television77 Inc.</u>		
<u>30.</u>	<u>Tricon Television78 Inc.</u>		
<u>31.</u>	<u>Tricon Television79 Inc.</u>		
<u>32.</u>	<u>Tricon Television80 Inc.</u>		
<u>33.</u>	<u>Tricon Television81 Inc.</u>		
<u>34.</u>	<u>Tricon Television82 Inc.</u>		
<u>35.</u>	<u>Tricon Television83 Inc.</u>		
<u>36.</u>	<u>Tricon Television84 Inc.</u>		
<u>37.</u>	<u>Tricon Television85 Inc.</u>		
<u>38.</u>	<u>Tricon Television86 Inc.</u>		
<u>39.</u>	<u>Tricon Television87 Inc.</u>		

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IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 1462598 ONTARIO INC., CARRYING ON BUSINESS AS TRICON FILMS AND TELEVISION, AND THE OTHER COMPANIES LISTED IN SCHEDULE "A"

Applicants

Court File No. CV-16-11634-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

APPLICATION RECORD

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