

**APPENDIX "C" - SECURITY AGREEMENT
(see Article D310)**

The Producer shall sign the following Security Agreement on its own letterhead and forward it to the local ACTRA office.

This Security Agreement, made pursuant to Article D310(b) of the ACTRA Audio Code dated February 3, 2006, is dated this _____ day of _____, _____.

Between: _____ (the Debtor)

and ACTRA and The ACTRA PERFORMERS' RIGHTS SOCIETY (collectively "ACTRA")

re: _____ ("the Production")

WHEREAS the Debtor is authorized and entitled to provide this Security Agreement in respect of the Production;

1. This Security Agreement is entered into between the Debtor and ACTRA to secure the performance by the Debtor of all its Use obligations under the ACTRA Audio Code, including, but not limited to, the Insurance, Retirement and Administration payments related to the Audio Recording, and any Use or Residual Fees.

3. ACTRA specifically acknowledges and agrees that this Security Interest shall be subject and subordinate to, the security interests of the Parties listed below. If the security interest of any listed party is not registered at the time of the registration of this Security Interest, ACTRA will agree to provide, at no cost to the Debtor, any subordination agreements required:

- | | |
|----------|----------|
| a) _____ | d) _____ |
| b) _____ | e) _____ |
| c) _____ | f) _____ |

The failure of the Debtor to list all those parties with a prior security interest shall not be a violation of this Security Agreement, provided such security interest is registered.

4. **Subordination of ACTRA Security Agreement** ACTRA agrees that its Security Interest will rank subordinate to the security interests of the parties listed in paragraph 3. The intent of this provision is that generally, the security

interests of the following parties, will enjoy priority over ACTRA's security interest: chartered banks, trust companies or other recognized lending institutions, government funded financiers, and subject to the prior written approval of ACTRA, other lenders or financiers who specifically require priority and who are providing project financing in respect of the Production.

5. The Debtor represents and warrants as follows:

- a) Debtor's Legal Name, principal place of business and mailing address (if the Debtor is an individual, his/her birth date must be supplied).

- b) The address at which the Debtor keeps its records concerning accounts and contracts with respect to which a security interest is herein granted (if different than above) is:

- c) The positive copies of the Audio Recording for distribution will be made by:

- d) The Debtor is duly organized and exists under the laws of the province/state/country of _____, and is not restricted by its charter documents or otherwise from entering into this Security Agreement.

- f) The copyright in Production has been or upon its completion will be duly registered in the following countries:

free and clear of adverse claims and liens other than those created hereby or as disclosed in paragraph 3 hereof;

- g) If the Debtor is not the Engager,
that the Engager is: _____
and its place of _____
business is: _____

- h) That it is in receipt of a copy of the Audio Code and this Security Agreement.

In witness whereof the Debtor has executed this Security Agreement at _____ this _____ day of _____, _____.

Debtor

Per: _____
(signature)

(print name and title)

Per: _____
(signature)

(print name and title)

Acknowledgment

ACTRA - Branch

Per: _____

(print name, title and branch)

The ACTRA Performers' Rights Society

Per: _____

(print name and title)

Date: _____
(month/day/year)