SECURITIES PURCHASE AGREEMENT

ADOM PARTNERS, L.P.

and

DEKEL PARTNERS, L.P.

and

WILDBRAIN LTD.

and

WILDBRAIN HOLDINGS LLC

June 24, 2020

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SECURITIES PURCHASE AGREEMENT

THIS AGREEMENT made the 24th day of June, 2020,

B E T W E E N:

ADOM PARTNERS, L.P.,
a limited partnership existing under the laws of the State of Delaware

("**Adom**"),

- and –

DEKEL PARTNERS, L.P.,
a limited partnership existing under the laws of the State of Delaware

("**Dekel**" and together with Adom, the "**Initial Investors**"),

- and -

WILDBRAIN LTD.,
a corporation existing under the laws of Canada,

(the "**Parent**"),

- and -

WILDBRAIN HOLDINGS LLC,
a limited liability company existing under the laws of the State of Delaware,

(the "**Issuer**").

WHEREAS the Issuer has agreed to issue to the Initial Investors, and the Initial Investors have agreed to purchase from the Issuer, the Debentures in accordance with the provisions hereof;

AND WHEREAS the Parent has agreed to issue to the Initial Investors the Warrants in accordance with the provisions hereof in order to induce the Initial Investors to purchase the Debentures from the Issuer;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties hereinafter contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Defined Terms

For the purposes of this Agreement (including the recitals and the Schedules hereto), unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**2020 AGM**" means the Parent's 2020 annual shareholder meeting.

"**Account Control Agreement**" means the deposit account control agreement to be entered into between, each Investor, the Issuer and City National Bank on the Initial Closing Date substantially in the form of Exhibit D attached to this Agreement.

"**Acquired Securities**" has the meaning given to such term in Section 3.2(h)(i).

"**Act**" means the *Canada Business Corporations Act*.

"**Adverse Claim**" means any Lien (as defined in the Debenture) or other right, claim or encumbrance in, of or on any Person's assets or properties in favor of any other Person, other than Permitted Liens (as defined in the Debentures).

"**Affiliate**" has the meaning given to it in the Securities Act.

"**Aggregate Proceeds**" has the meaning given to such term in Section 2.2.

"**Board**" means the board of directors of the Parent.

"**Business Day**" means any day, other than a Saturday or a Sunday, upon which banks are open for business in the cities of: Toronto, Ontario; Halifax, Nova Scotia; and New York, New York.

"**Change of Control**" has the meaning given to such term in the Debentures.

"**Circular**" has the meaning given to such term in Section 5.1(c).

"**Closing**" means the Initial Closing and each Subsequent Closing.

"**Closing Date**" means the Initial Closing Date and each Subsequent Closing Date.

"**Code**" means the US Internal Revenue Code of 1986.

"**Common Voting Shares**" means the common voting shares in the capital of the Parent or any other shares in the share capital of the Parent into which such classes of shares is reclassified or reconstituted.

"**Corporate Finance Committee**" means the corporate finance committee of the Board.

"**Convertible Debentures**" means the 5.875% senior unsecured convertible debentures issued by the Parent on October 2, 2017.

"**Debentures**" means the Initial Debentures and the Subsequent Debentures, as the context so requires, to be issued by the Issuer to the Investors at the Initial Closing or Subsequent Closing, as applicable, each substantially in the form of Exhibit A attached to this Agreement.

"**Disqualification Event**" has the meaning given to such term in Section 3.2(k).

"**Equity Incentive Plan**" means the omnibus equity incentive plan of the Parent effective December 17, 2019, as amended, restated and/or supplemented.

"**ERISA**" means the U.S. Employee Retirement Income Security Act of 1974.

"**ERISA Affiliate**" means (a) any corporation that is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Code) as the Parent or the Issuer, (b) a trade or business (whether or not incorporated) under common control (within the meaning of Section 414(c) of the Code) with the Parent or the Issuer, or (c) for purposes of Section 302 of ERISA and Section 412 of the Code, a member of the same affiliated service group (within the meaning of Section 414(m), or (o) of the Code) as the Parent or the Issuer, any corporation described in clause (a) above or any trade or business described in clause (b) above.

"**Event of Default**" has the meaning given to it in the Debentures.

"**Exchange Agreement**" means the exchange and support agreement to be entered into between the Investors, the Parent and the Issuer at the Initial Closing substantially in the form of Exhibit B attached to this Agreement.

"**Exchange Cap**" has the meaning given to it in the Debentures.

"**Exchange Price**" means the meaning given to it in the Debentures.

"**Exchange Shares**" means the Variable Voting Shares issuable or deliverable to the Investors upon exchange, maturity or redemption of all or a portion of the outstanding principal amount of the Debentures pursuant to the terms thereof or the Exchange Agreement, as applicable.

"**Governmental Entity**" means any:

(a) multinational, federal, provincial, territorial, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign;

(b) any subdivision or authority of any of the foregoing; or

(c) any quasi-governmental or private body exercising a regulatory, expropriation or taxing authority under or for the account of any of the above.

"**IFRS**" means International Financial Reporting Standards, as established by the International Accounting Standards Board, as adopted by the Chartered Professional Accountants of Canada.

"**Initial Closing**" means the closing of the purchase and sale and issuance of the Initial Debentures and the Warrant and the completion of the other transactions contemplated by the Transaction Agreements to be completed at such time.

"**Initial Closing Date**" means June 24th, 2020 or such other date before the Outside Date agreed to in writing by the parties.

"**Initial Debentures**" means the Debentures issued at the Initial Closing in the aggregate principal amount of $12,208,350.

"**Initial Exchange Price**" has the meaning given to such term in Section 2.6.

"**Initial Proceeds**" has the meaning given to such term in Section 2.1

"**Initial Investor**" has the meaning given to such term in the recitals hereto.

"**Intercreditor Agreement**" means the intercreditor agreement to be entered into amongst the Investors and the Issuer on the Initial Closing Date, substantially in the form of Exhibit F attached to this Agreement.

"**Investor**" means an Initial Investor or a Subsequent Investor.

"**Investor Covered Person**" has the meaning given to such term in Section 3.2(k).

"**Investor Indemnitees**" has the meaning given to such term in Section 4.1.

"**Laws**" means any and all applicable laws including all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, instruments, policies, guidelines, and general principles of common law and equity, binding on or affecting the Person referred to.

"**Losses**" means, in respect of any matter, all reasonable claims, complaints, demands, proceedings, actions, causes of action, orders, judgments, awards, penalties, fines, losses, damages, liabilities, costs and expenses (including, without limitation, any and all reasonable legal fees) arising directly or indirectly as a consequence of such matter; provided, however, "Losses" excludes any and all punitive damages and exemplary damages.

"**Material Adverse Effect**" means a fact or state of facts, circumstance, change, effect, occurrence or event that, individually or in the aggregate, is or is reasonably likely to (i) have any material adverse effect upon the validity or enforceability of any of the Transaction Agreements (other than the Subsequent Security Documents), (ii) have a material adverse effect upon the Investors' rights and remedies under any of the Transaction Agreements (other than the Subsequent Security Documents) or upon the Investors' first priority perfected security interest in the collateral pledged by the Issuer pursuant to the Transaction Agreements, taken as a whole, (iii) materially impair the ability of the Parent or the Issuer to fulfill its obligations under the Transaction Agreements (other than the Subsequent Security Documents) to which it is a party, or (iv) be material and adverse to the condition (financial or otherwise), business, results of operations, assets, liabilities (contingent or otherwise), capital, cash-flow, operations or affairs of the Parent and its Subsidiaries, taken as a whole, except for any such fact, state of facts, circumstance, change, effect, occurrence or event resulting from or arising in connection with: (i) any change in IFRS; (ii) any adoption, proposal, implementation or change in Law or interpretations thereof by any Governmental Entity; (iii) any change in global, national or regional political conditions (including the outbreak of war or acts of terrorism) or in general economic, business, regulatory or market conditions or in national or global financial or capital markets; (iv) any change in foreign exchange rates; (v) any change generally affecting any of the industries in which the Parent or any of its Subsidiaries operate; (vi) the execution, announcement or performance of this Agreement or anticipated consummation of the transactions contemplated hereby, including any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of the Parent or any of its Subsidiaries with any of their customers, employees, shareholders, vendors, distributors, partners or suppliers arising as a consequence of same; (vii) any natural disaster, the continuation or escalation of the COVID-19 pandemic, or act of terrorism or outbreak or escalation of hostilities or armed conflict, or any governmental response to the foregoing; (viii) any change in the market price or trading volume of the securities of the Parent (it being understood that the causes underlying such change in market price or trading volume may be taken into account in determining whether a Material Adverse Effect has occurred), or any suspension of trading lasting less than one Business Day in securities generally on any securities exchange on which the securities of the Parent trade; (ix) the failure of the Parent in and of itself to meet any internal projections, forecasts or estimates of revenues or earnings (it being understood that the causes underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred); (x) any actions taken (or omitted to be taken) at the written request or with the written consent of the Investor; or

(xi) any action taken by the Parent or any of its Subsidiaries which is required pursuant to this Agreement; provided, however, that with respect to clauses (i), (ii), (iii), (iv), (v) and (vii), such matter does not have a materially disproportionate effect on the Parent and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the businesses and countries where the Parent and/or its Subsidiaries operate.

"**Maturity Date**" has the meaning given to it in the Debentures.

"**Misrepresentation**" has the meaning given to the term "misrepresentation" in Section 1(1) of the Securities Act.

"**NI 45-106**" means National Instrument 45-106 – *Prospectus Exemptions*.

"**Non-Recourse Obligations**" has the meaning given to such term in Section 4.6.

"**Option**" means an option to purchase Shares granted by the Parent under the Stock Option Plan, the Equity Incentive Plan or otherwise.

"**Outside Date**" has the meaning given to such term in Section 6.1.

"**Parent Indemnitees**" has the meaning given to such term in Section 4.2.

"**Payment Covenants**" means the Issuer's obligations to make any cash payment of principal or interest on the Debentures or in connection with a redemption of the Debentures or the exercise of the Change of Control Redemption Right (as defined in the Debentures) including, without limitation, pursuant to Section 4.1(b) of the Debentures, and for certainty, does not any include any covenant of the Parent to deliver Shares to the Investors in accordance with the terms of this Agreement, the Debentures, the Exchange Agreement and the Warrants.

"**Person**" means an individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, association, trust, estate, custodian, trustee, executor, administrator, nominee or other entity or organization, including (without limitation) a Governmental Entity or political subdivision or an agency or instrumentality thereof.

"**Pledge and Security Agreements**" means the pledge and security agreements to be entered into between each Investor and the Issuer on the Initial Closing Date substantially in the form of Exhibit C attached to this Agreement.

"**PSU**" means a performance share unit granted under the Equity Incentive Plan.

"**Public Disclosure Documents**" means, collectively, all of the documents which have been filed on SEDAR by or on behalf of the Parent since January 1, 2016 with the relevant securities regulators pursuant to the requirements of Securities Laws.

"**RSU**" means a restricted share unit granted under the Equity Incentive Plan.

"**Securities Act**" means the *Securities Act* (Ontario), as amended.

"**Securities Commissions**" means the securities commissions or similar securities regulatory authorities in each of the provinces and territories of Canada.

"**Securities Laws**" means the applicable securities legislation of each of the provinces and territories of Canada and all published regulations, policy statements, orders, rules, instruments, rulings and interpretation notes issued thereunder or in relation thereto, and the applicable rules and policies of the TSX.

"**Shareholder Approval**" has the meaning given to such term in Section 5.1(a).

"**Shareholder Approval Matters**" has the meaning given to such term in Section 5.1(a).

"**Shareholders**" means the registered owners of Shares.

"**Shares**" means the Common Voting Shares and the Variable Voting Shares.

"**Stock Option Plan**" means the stock option plan of the Parent effective as of March 22, 2006, as amended, restated and/or supplemented.

"**Subsequent Closing**" means each closing, if any, of the purchase and sale and issuance of any Subsequent Debentures and the completion of the other transactions contemplated by the Transaction Agreements to be completed at such time.

"**Subsequent Closing Date**" has the meaning given to such term in Section 2.2.

"**Subsequent Debentures**" means the Debentures issued at any Subsequent Closing, if applicable.

"**Subsequent Investor**" has the meaning given to such term in Section 2.2.

"**Subsequent Proceeds**" has the meaning given to such term in Section 2.2.

"**Subsequent Sale Option**" has the meaning given to such term in Section 2.2.

"**Subsequent Sale Option Notice**" has the meaning given to such term in Section 2.2.

"**Subsequent Security Documents**" means any documents executed and delivered by the Parent or the Issuer after the date hereof for the purposes of creating and maintaining a first priority perfected security interest in the property and assets of the Issuer.

"**Subsidiary**" means any entity with respect to which a Person (or a Subsidiary thereof) has the power, through the ownership of securities or otherwise, to elect at least a

majority of the directors, or similar managing body, or in which such Person owns directly or indirectly 50% or more of the fair market value of the equity of such entity.

"**Transaction Agreements**" means this Agreement, the Exchange Agreement, the Pledge and Security Agreements, the Account Control Agreement, the Intercreditor Agreement, the Debentures, the Warrants and the Subsequent Security Documents.

"**TSX**" means the Toronto Stock Exchange.

"**TSX Approval**" means approval of the TSX of the listing of the Variable Voting Shares issuable upon the exchange of the Debentures and / or the exercise of the Warrants on the TSX without the requirement to obtain Shareholder Approval for any issuance of Variable Voting Shares up to the Exchange Cap and otherwise on terms satisfactory to the Parent and the Investor, each acting reasonably.

"**United States**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

"**Use of Proceeds**" has the meaning given to such term in Section 2.5.

"**U.S. Securities Act**" means the United States *Securities Act of 1933*, as amended, including the rules and regulations adopted thereunder by the United States Securities and Exchange Commission.

"**Variable Voting Shares**" means the variable voting shares in the capital of the Parent or any other shares in the share capital of the Parent into which such class of shares is reclassified or reconstituted.

"**Warrants**" means the warrants to purchase, in aggregate, 5,000,000 Variable Voting Shares to be issued by Parent to the Investors on the Initial Closing Date substantially in the form of Exhibit E attached to this Agreement.

"**Warrant Shares**" means the Variable Voting Shares issuable or deliverable to the Investors upon exercise of the Warrants.

1.2 **Rules of Construction**

In this Agreement:

(a) the terms "Agreement", "this Agreement", "the Agreement", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;

(b) references to an "Article", "Section" or "Schedule" followed by a number or letter refer to the specified Article or Section of or Schedule to this Agreement;

(c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;

(d) words importing the singular number only shall include the plural and *vice versa* and words importing the use of any gender shall include all genders;

(e) the word "including" is deemed to mean "including without limitation";

(f) the terms "party" and "the parties" refer to a party or the parties to this Agreement, unless the context suggest otherwise;

(g) any reference to any agreement (including this Agreement) means such agreement as amended, modified, replaced or supplemented from time to time;

(h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;

(i) unless otherwise indicated, all dollar amounts refer to United States currency;

(j) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and

(k) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the next following Business Day.

1.3 Time of Essence

Time shall be of the essence of this Agreement. Any extension, waiver or variation of any provision of this Agreement shall not be deemed to affect this provision and there shall be no implied waiver of this provision.

1.4 Governing Law and Submission to Jurisdiction

(a) This Agreement shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Ontario and the federal laws of Canada applicable in that province.

(b) Each of the parties irrevocably and unconditionally (i) submits to the non-exclusive jurisdiction of the courts of the Province of Ontario, the courts of the State of New York, or the United States Courts located in the Borough of Manhattan in New York City over any action or proceeding arising out of or relating to this Agreement, (ii) waives any objection

that it might otherwise be entitled to assert to the jurisdiction of such courts and (iii) agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.

1.5 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

1.6 Knowledge

For the purposes of this Agreement, with respect to any matter, the knowledge of the Parent or the Issuer shall mean the actual knowledge of Eric Ellenbogen, Aaron Ames and James Bishop of the Parent after making reasonable inquiry concerning the matters in question.

1.7 Conflicts/Inconsistencies

In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of the Debentures then, notwithstanding anything contained in this Agreement, the provisions contained in the Debentures shall prevail to the extent of such conflict or inconsistency, and the provisions of this Agreement will be deemed to be amended to the extent necessary to eliminate such conflict.

1.8 Divisions

For all purposes under the Transaction Agreements, in connection with any division or plan of division under applicable law: (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

1.9 Exhibits

The following Exhibits are attached to and form an integral part of this Agreement:

Exhibit A - Form of Debenture
Exhibit B - Exchange Agreement
Exhibit C - Pledge and Security Agreement
Exhibit D - Account Control Agreement
Exhibit E - Form of Warrant
Exhibit F - Form of Intercreditor Agreement

ARTICLE 2
PURCHASE OF SECURITIES

2.1 Purchase of Initial Debentures and Warrants

On the terms and subject to the conditions of this Agreement, the Investors hereby subscribe for and purchase from the Issuer, and the Issuer hereby issues and sells to the Investors, the Initial Debentures and directs the Parent to issue the Warrants for consideration of an aggregate amount of $12,208,350 (the "**Initial Proceeds**"), of which $12,208,349 is allocated to the sale and purchase of the Initial Debentures and $1 is allocated to the issuance of the Warrants. The Parent agrees to issue the Warrants in accordance to this Section 2.1.

2.2 Purchase of Subsequent Debentures

On the terms and subject to the conditions of this Agreement, the Parent shall have the right but not the obligation (the "**Subsequent Sale Option**") to require the Investors to purchase one or more Subsequent Debentures in an aggregate principal amount of up to $6,289,150 ("**Subsequent Proceeds**" and together with the Initial Proceeds, the "**Aggregate Proceeds**") exercisable by the Parent at any time and from time to time by notice to the Investors in writing of its decision to exercise the Subsequent Sale Option (which notice shall specify the principal amount of Subsequent Debenture to be purchased) on or before the date that is three months before the Maturity Date, (the "**Subsequent Sale Option Notice**") to close on the date that is 15 Business Days following the date of delivery of the Subsequent Sale Option Notice (the "**Subsequent Closing Date**") provided that (i) no Event of Default has occurred and is continuing and (ii) no Change of Control has occurred. On the receipt of the Subsequent Sale Option Notice, the Investors may elect to fund the purchase of, and hold, any Subsequent Debentures directly or, if so directed by Fine Capital Partners, L.P., through any other investment fund managed by Fine Capital Partners, L.P. or any other Affiliate of Fine Capital Partners, L.P. (each a "**Subsequent Investor**") and in such proportions as Fine Capital Partners L.P. may determine in its sole discretion. Any such Subsequent Investor shall be deemed to be an Investor for the purposes of this Agreement and entitled to enforce any rights of an Investor and shall be subject to the corresponding obligations of an Investor under this Agreement, *mutatis mutandis*.

2.3 Non-Revolving

The aggregate principal amount of Debentures available to the Issuer is non-revolving and, accordingly, no principal amounts repaid under the Debentures may be re-borrowed and the limit of the maximum aggregate principal amount available will be automatically and permanently reduced by the amount of any principal repayment, exchange or redemption thereunder (whether satisfied in cash or by the issuance of Shares).

2.4 Payment of Aggregate Proceeds

On the Initial Closing Date and on each Subsequent Closing Date, the Investors shall pay, or cause to be paid, to or as directed by the Parent and the Issuer in writing in full satisfaction of the subscription price, less any fees and disbursements of legal counsel and other professional advisors of the Investors (up to the maximum aggregate amount set out in Section 7.10) incurred in connection with the negotiation, preparation, execution and performance of the Transaction Agreements, for the Initial Debentures and the Warrants or Subsequent Debentures, as applicable, the Initial Proceeds or the amount of Subsequent Proceeds payable for the Subsequent Debenture, as applicable, by wire transfer in immediately available funds.

2.5 Use of Proceeds

The Issuer shall use the Aggregate Proceeds to fund acquisitions of, or investments in, businesses, rights and/or other assets and to pay related fees and expenses and to fund any follow-on investments in such businesses, rights and/or assets (the "**Use of Proceeds**")

2.6 Initial Exchange Price

The Investors and the Issuer agree that the Initial Exchange Price of each Debenture (the "**Initial Exchange Price**") shall be:

(a) in the case of the Initial Debentures, $1.072855; and

(b) in the case of a Subsequent Debenture:

(i) if the Subsequent Debenture is issued after Shareholder Approval is received in respect of the Shareholder Approval Matters, the Exchange Price of the Initial Debentures as of the date such Subsequent Debenture is issued; and

(ii) if the Subsequent Debenture is issued before Shareholder Approval is received in respect of the Shareholder Approval Matters, the greater of (A) the market price (as such term is defined in the TSX Company Manual) of the Shares less the maximum discount allowable by the TSX as of the close of trading on the trading day immediately prior to the date on which such Subsequent Debenture is issued, converted into United States dollars at the Bank of Canada exchange rate on the day prior to the date such

Subsequent Debenture is issued and (B) the Exchange Price of the Initial Debentures as of the date such Subsequent Debenture is issued, provided, that if (1) the Initial Exchange Price is determined pursuant to clause (A) and (2) Shareholder Approval is subsequently received in respect of the Shareholder Approval Matters, then upon the conclusion of the meeting at which Shareholder Approval in respect of the Shareholder Approval Matters was received the Exchange Price of such Subsequent Debenture shall automatically be amended to equal the Exchange Price of the Initial Debentures as of such time.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Parent and the Issuer

The Parent and the Issuer jointly and severally represent and warrant to the Investors as follows as of the date hereof and as of each Closing Date (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and acknowledge that the Investors are relying on such representations and warranties in entering into this Agreement and completing their subscriptions for the Debentures:

(a) Each of the Parent and the Issuer is validly existing under the law of the jurisdiction of its incorporation or formation and has the corporate or limited liability company power and authority to enter into this Agreement and to perform its obligations hereunder. The Parent's Subsidiaries are validly existing under the Laws of their respective corporate jurisdictions.

(b) As of the date of this Agreement, the Issuer has no employees or business, has not carried on any operations and has no material assets or liabilities other than its rights and obligations under the Transaction Agreements and the Initial Proceeds.

(c) Each Transaction Agreement has been (or will be at the time of a Subsequent Closing in the case of the Subsequent Debentures, or at the time of execution and delivery in the case of the Subsequent Security Documents) duly authorized, executed and delivered by the Parent or the Issuer, as applicable, and constitutes or will constitute a legal, valid and binding obligation of the Parent or the Issuer, as applicable, enforceable against them by the Investors in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and any other laws affecting the rights of creditors generally and except such equitable remedies that may be granted in the discretion of a court of competent jurisdiction. The issuance of the Exchange Shares and the Warrant Shares on the exchange or exercise of the Debentures or the exercise of the Warrants, as applicable, have been duly authorized and reserved for issuance by the Parent.

(d) The execution and delivery of the Transaction Agreements by the Parent and the Issuer, as applicable, and the consummation of the transactions contemplated thereby and the issuance of the Debentures, the Exchange Shares, the Warrants and the Warrant Shares will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) violate any provision of the constating documents or by-laws or resolutions of the Board (or any committee thereof) or the board of managers of the Issuer (or any committee thereof) or of the Shareholders or the member(s) of the Issuer or result in a breach or a violation of, or conflict with (except in respect of Shareholder Approval Matters), any provision of any material indenture, mortgage, agreement, contract or other material instrument to which the Parent or the Issuer is a party or pursuant to which any of the assets or property of the Parent or the Issuer may be affected.

(e) No consent, approval, order or authorization of, or declaration with, any Governmental Entity is required by or with respect to the Parent in connection with the execution and delivery of this Agreement or the consummation of the transactions by the Parent contemplated hereby, other than consents, approvals or authorizations that may be required by any Securities Laws, U.S. securities Laws, the TSX or Securities Commissions.

(f) The authorized and issued share capital of the Parent consists of an unlimited number of preferred variable voting shares, of which 500,000,000 were issued and outstanding as at the close of business on June 23, 2020, an unlimited number of Common Voting Shares and Variable Voting Shares, of which 171,065,656 were issued and outstanding as at the close of business on June 23, 2020 and an unlimited number of non-voting shares, none of which were issued and outstanding as at the close of business on June 23, 2020. As of June 23, 2020, 5,858,800 Options, 2,825,000 PSUs, 3,688,949 RSUs and CAD$140,000,000 principal amount of Convertible Debentures were issued and outstanding. The authorized and issued equity securities of the Issuer consists of a limited liability company interest, which is issued and outstanding as of the date hereof. Except as otherwise indicated in the Public Disclosure Documents, the Parent owns, directly or indirectly, all of the issued and outstanding securities of each of its material Subsidiaries. Notwithstanding the foregoing sentence and anything else to the contrary in this Agreement, the Parent owns, directly or indirectly through a wholly-owned subsidiary of the Parent, all of the issued and outstanding securities of the Issuer and any warrants, options or other rights to acquire any such interests in the Issuer. Except for the rights under this Agreement and the outstanding Options, PSUs, RSUs and Convertible Debentures, there are no pre-emptive or other outstanding rights, options, warrants, conversion rights, redemption rights, repurchase rights, shareholder rights plans, agreements, arrangements, calls, commitments or rights of any kind that obligate the Parent or any of the Parent's Subsidiaries to issue or sell any shares of capital stock or other securities of the

Parent or any of the Parent's Subsidiaries or any securities or obligations convertible or exchangeable into or exercisable for, or giving any person a right to subscribe for or acquire, from treasury any securities of the Parent or any of the Parent's Subsidiaries, and no securities or obligations evidencing such rights are authorized, issued or outstanding. Except for the Convertible Debentures, there are no outstanding bonds, debentures or other evidences of indebtedness of the Parent or the Parent's Subsidiaries having the right to vote (or that are convertible for or exercisable into securities having the right to vote) with the holders of the Shares on any matter. Except as disclosed in the Public Disclosure Documents, there are no shareholder agreements, voting trusts or other agreements or understandings to which the Parent or any of the Parent's Subsidiaries is a party with respect to the voting of the capital stock or other equity interests of the Parent or any of the Parent's Subsidiaries. All the outstanding shares in the capital of the Parent have been duly authorized and validly issued, are fully paid and non-assessable.

(g) The Debentures will at the time of issuance in accordance with the terms of the Debentures and any other Transaction Agreement, as applicable, be duly and validly issued by the Issuer and will be free and clear of all liens, pledges, claims, encumbrances, security interests and other restrictions, except for any restrictions on resale or transfer imposed by Securities Laws and U.S. securities Laws.

(h) The Warrants will at the time of issuance in accordance with the terms of the Warrants and any other Transaction Agreement, as applicable, be duly and validly issued by the Parent and will be free and clear of all liens, pledges, claims, encumbrances, security interests and other restrictions, except for any restrictions on resale or transfer imposed by Securities Laws and U.S. securities Laws

(i) The Exchange Shares and the Warrant Shares will at the time of issuance in accordance with the terms of the Debentures, the Exchange Agreement, the Warrants and this Agreement, as applicable, be duly and validly issued as fully paid and non-assessable, and will be free and clear of all liens, pledges, claims, encumbrances, security interests and other restrictions, except for any restrictions on resale or transfer imposed by Securities Laws and U.S. securities Laws.

(j) No order ceasing or suspending the trading of the Shares, the Debentures, the Warrants, the Exchange Shares or the Warrant Shares has been issued to or is outstanding against the Parent.

(k) The Parent is a reporting issuer or equivalent under the Securities Laws of each of the provinces of Canada that recognizes such concept and, where applicable, is not on the list of defaulting reporting issuers or noted in default on the list of reporting issuers maintained by the relevant Securities Commissions, and is in compliance in all material respects with the requirements of applicable Securities

Laws. The Parent has not filed any material change report with any Securities Commission or similar regulatory authority on a confidential basis.

(l) The Shares are listed on the TSX and the Parent is in compliance in all material respects with all applicable rules of the TSX.

(m) There is not now pending or, to the knowledge of the Parent or the Issuer, threatened against the Parent or the Issuer or any of the properties of the Parent or the Issuer, nor has the Parent or the Issuer received notice in respect of, any claim, potential claim, litigation, action, suit, arbitration, investigation or other proceeding before any court, regulatory body, tribunal, agency, Governmental Entity or legislative body that, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

(n) There is no material information concerning the Parent or the Parent's securities that, as of the date hereof, has not been publically disclosed.

(o) The Public Disclosure Documents do not contain any Misrepresentations.

(p) Neither the Parent nor the Issuer is or will be (i) a "benefit plan investor" (as defined in Section 3(42) of ERISA) or (ii) a governmental, church, non U.S. or other plan which is subject to any federal, state, local or non U.S. law substantially similar to the provision of Section 406 of ERISA.

(q) Neither the Parent, the Issuer, nor any of its ERISA Affiliates have or will establish, maintain, contribute or have any liability with respect to an employee benefit plan subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect to which the Parent, the Issuer or any ERISA Affiliate is (or if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

(r) Neither the Parent nor the Issuer is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the US Federal Reserve System) ("**Margin Stock**"), and no part of the proceeds of any extension of credit made hereunder will be used to purchase or carry any such Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock

(s) Neither the Parent nor the Issuer is an "investment company" nor a company "controlled" by an "investment company" within the meaning of the US Investment Company Act of 1940.

(t) The Pledge and Security Agreements and the Account Control Agreement and the actions required to be taken pursuant to the terms thereof are, and at all times shall

be, effective to create and perfect in the Investors and the Investors have a first priority perfected security interest in the collateral pledged thereunder free and clear of all Adverse Claims and no actions, except as have been taken, are necessary or advisable to perfect or protect such security interest free and clear of Adverse Claims.

(u) No effective financing statements or other instruments similar in effect covering the collateral pledged under the Pledge and Security Agreements and the Account Control Agreement are on file in any recording office, except those filed in favor of the Investors pursuant to the Pledge and Security Agreements and the Account Control Agreement.

(v) The Issuer owns, directly or indirectly though a wholly-owned subsidiary of the Issuer, all of the issued and outstanding securities of each of its Subsidiaries and any warrants, options or other rights to acquire any such interests in each of its Subsidiaries.

(w) No Material Adverse Effect shall have occurred between May 13, 2020 and the date hereof.

3.2 Representations and Warranties of the Investors

The Investors hereby severally and not jointly and severally represent, warrant and acknowledge to the Parent and the Issuer as follows as of the date hereof and as of each Closing Date (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and acknowledge that the Parent and the Issuer are relying on such representations, warranties and acknowledgements in connection with the entering into of this Agreement and the performance of their obligations hereunder:

(a) Each Investor is a limited partnership existing under the Laws of the State of Delaware and has the power and authority to enter into this Agreement and perform its obligations hereunder.

(b) Each Transaction Agreement has been (or will be at the time of a Subsequent Closing, in the case of the Subsequent Debentures or at the time of execution and delivery in the case of the Subsequent Security Documents) duly authorized, executed and delivered by each Investor and constitutes a legal, valid and binding obligation of each Investor, enforceable against each Investor by the Parent or the Issuer, as applicable, in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and any other laws affecting the rights of creditors generally and except such equitable remedies that may be granted in the discretion of a court of competent jurisdiction.

(c) The execution and delivery of the Transaction Agreements by each Investor and the consummation of the transactions provided for herein and therein will not (or

would not with the giving of notice, the lapse of time or the happening of any other event or condition) violate any provision of the constating documents or by-laws or resolutions of the general partner of each Investor or result in a breach or a violation of, or conflict with, any of the terms or provisions of any provision of any material indenture, mortgage, agreement, contract or other material instrument to which each Investor is a party or pursuant to which any of the assets or property of each Investor may be affected.

(d) No consent, approval, order or authorization of, or declaration with, any Governmental Entity is required by or with respect to each Investor in connection with the execution and delivery of this Agreement or the consummation of the transactions by each Investor contemplated hereby, other than consents, approvals or authorizations that may be required by any Securities Laws, U.S. securities Laws, the TSX or Securities Commissions.

(e) Each Investor has, and on each Closing Date will have, the financial ability and sufficient funds to make and complete the payments contemplated by Section 2.4, and the making of such payment is not and will not be subject to the consent, approval or authorization of any other Person, except for customary authorizing resolutions of each Investor or its general partner, as applicable.

(f) Each Investor has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Debentures and Warrants and each Investor is able to bear the economic risks of such investment.

(g) Each Investor will be acquiring the Debentures, Warrants, Exchange Shares and Warrant Shares as principal for its own account and not with a view to distributing, reselling or otherwise disposing of such securities or any part thereof in violation of Securities Laws or United States securities Laws.

(h) Each Investor:

(i) understands that any Debentures, Warrants, Exchange Shares and Warrant Shares acquired by such Investor (collectively, the "**Acquired Securities**") have not been and will not be registered under the U.S. Securities Act and that the offer and sale to it contemplated hereby is being made in reliance on a private placement exemption to institutional "accredited investors" specified in Rule 501(a)(1), (2), (3), and (7) of Regulation D under the U.S. Securities Act;

(ii) understands that the Acquired Securities will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

(iii) has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the Acquired Securities and is able to bear the economic risks of its investment;

(iv) is an "accredited investor" as defined in the U.S. Securities Act;

(v) is a U.S. Person for United States federal income tax purposes;

(vi) acknowledges that it has not purchased, and will not purchase, any Acquired Securities as a result of any "general solicitation" or "general advertising" (as such terms are used in Rule 502(c) of Regulation D under the U.S. Securities Act), including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or the Internet or broadcast over radio or television or the Internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;

(vii) understands that as long as Acquired Securities are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Investor may not reoffer, resell, pledge or otherwise transfer the Acquired Securities unless:

(A) the sale is to the Parent or the Issuer, as applicable;

(B) the sale is made outside the United States in compliance with the requirements of Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and in compliance with applicable local laws and regulations;

(C) the sale is made pursuant to the exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder, if available, and in compliance with any applicable United States state Laws governing the offer and sale of securities;

(D) the sale is made in another transaction that does not require registration under the U.S. Securities Act or any applicable United States state laws and regulations governing the offer and sale of securities,

and each Investor has certified to the Parent that such offer or resale is in compliance with the U.S. Securities Act and applicable state securities Laws (provided that, upon the reasonable request of the Parent, each Investor shall furnish to the Parent an opinion of counsel of recognized

standing or other documentation reasonably satisfactory to the Parent as to such compliance);

(i) understands and acknowledges that, to the extent the Acquired Securities are delivered to each Investor in certificated form, upon the original issuance of the Acquired Securities, and until such time as is no longer required under applicable requirements of the U.S. Securities Act or applicable state laws, all certificates representing the Acquired Securities, and all certificates issued in exchange therefor or in substitution thereof, shall bear, on the face of such certificates, the following legend:

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO [WILDBRAIN LTD.] [OR] [WILDBRAIN HOLDINGS LLC] ("WILDBRAIN"), (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS UNDER REGULATIONS, (C) IN COMPLIANCE WITH RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT IN THE CASE OF TRANSFERS PURSUANT TO (C) OR (D) ABOVE, EITHER A CERTIFICATION TO SUCH EFFECT OR, IF REASONABLY REQUESTED BY THE COMPANY, A LEGAL OPINION REASONABLY SATISFACTORY TO THE COMPANY TO SUCH EFFECT MUST BE FIRST PROVIDED. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

(j) Each Investor consents to the Parent and the Issuer making a notation on their records or giving instructions to any transfer agent of the Parent in order to implement the restrictions on transfer set forth and described in this Agreement.

(k) None of each Investor, any of their general partners or managing members, any director or executive officer of any of the foregoing, any other officer of any of the foregoing participating in the acquisition of the Acquired Securities, or any other officer or employee of any of the foregoing that has been or will be paid (directly or indirectly) remuneration in connection with the issuance of the Acquired Securities (each, an "**Investor Covered Person**" and, together, the

"**Investor Covered Persons**") is subject to any of the disqualifications described in Rule 506(d)(1)(i) to (viii) of Regulation D (a "**Disqualification Event**"). Each Investor will notify the Parent in writing, prior to the Initial Closing Date of (a) any Disqualification Event relating to any Investor Covered Person not previously disclosed to the Parent hereunder, and (b) any event that would, with the passage of time, become a Disqualification Event relating to any Investor Covered Person. Each Investor is acting alone, and not jointly or in concert with any other Persons, in connection with the acquisition of the Acquired Securities and will be acting as principal in its capacity as the Investor.

(l) Each Investor meets the definition of "accredited investor" as defined in section 1.1 of NI 45-106.

(m) Each Investor understands and acknowledges that, to the extent the Acquired Securities are delivered to each Investor in certificated form, upon the original issuance of the Acquired Securities, and until such time as is no longer required under applicable Securities Laws, and all certificates issued in exchange therefor or in substitution thereof, shall bear, on the face of such certificates, the following legend:

> UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY SHALL NOT TRADE THE SECURITY BEFORE THE DATE THAT IS FOUR MONTHS AND ONE DAY AFTER [DATE OF ISSUANCE].

(n) As at the date hereof, the Investors and their Affiliates have beneficial ownership of, or control or direction over, directly or indirectly, 57,472,888 Variable Voting Shares, and, other than as aforesaid and as set forth pursuant to this Agreement, the Investors and their Affiliates do not have the right to become the owner at law or in equity of securities of the Parent (where such right is exercisable within a period of 60 days, whether or not on condition or the happening of any contingency) pursuant to any agreement, arrangement or understanding.

(o) To the knowledge of each Investor, there is not now pending or threatened against such Investor or any of the properties of such Investor, nor has such Investor received notice in respect of, any claim, potential claim, litigation, action, suit, arbitration, investigation or other proceeding before any court, regulatory body, tribunal, agency, Governmental Entity or legislative body that, individually or in the aggregate, would reasonably be expected to have a material adverse effect on such Investor's ability to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated by this Agreement.

(p) None of the funds that each Investor is using to acquire the Debentures are proceeds obtained or derived, directly or indirectly, as a result of illegal activities

and the funds representing the aggregate subscription amount which will be advanced by the Investors hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or otherwise in violation of any applicable anti-bribery Laws or money laundering Laws and each Investor acknowledges that the Parent or Issuer may in the future be required by Law to disclose its name and other information relating to this Agreement and its commitments hereunder, on a confidential basis, to regulatory authorities pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or any applicable anti-bribery Laws or money laundering Laws and: (i) none of the subscription funds to be provided by each Investor (A) have been or will be derived from or related to any activity that is deemed criminal under the laws of Canada, the United States of America or any other jurisdiction, or (B) are being tendered on behalf of a person or entity who has not been identified to such Investor; and (ii) it shall promptly notify the Parent if it discovers that any of such representations ceases to be true, and to provide the Parent with appropriate information in connection therewith.

(q) Each Investor acknowledges that: (i) the Parent may deliver to the Ontario Securities Commission and the Nova Scotia Securities Commission certain "personal information" pertaining to it, including its full name, address, telephone number and email address, the number of securities subscribed by it hereunder and the total purchase price paid for such securities, the prospectus exemption relied on by the Parent and the date of distribution of the securities; (ii) such information is being collected indirectly by the Ontario Securities Commission and the Nova Scotia Securities Commission under the authority granted to it in securities legislation; (iii) such information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario and Nova Scotia; and (iv) it may contact the Nova Scotia Securities Commission, Suite 400, Duke Tower, 5251 Duke St., Halifax, NS B3J 1P3, Telephone: (902) 424-6859 with respect to questions about the Nova Scotia Securities Commission's indirect collection of such information and the Administrative Assistant to the Director of Corporate Finance, Ontario Securities Commission, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario, M5H 3S8, Telephone: (416) 593-8086 with respect to questions about the Ontario Securities Commission's indirect collection of such information.

3.3 Survival of Representations and Warranties

The representations and warranties of the Parent, the Issuer, the Investors or any other party contained in this Agreement or any other Transaction Agreement, or contained in any document delivered pursuant to this Agreement or any other Transaction Agreement, shall survive until the Maturity Date.

3.4 Notification

The Parent or the Issuer, as applicable, shall notify the Investors forthwith if it becomes aware of a fact or circumstance which has caused or is reasonably likely to cause a representation or warranty in Section 3.1 to become untrue, inaccurate or misleading in any material respect at any time (by reference to circumstances subsisting at that time) before a Subsequent Closing Date, if applicable.

The Investors shall notify the Parent or the Issuer forthwith if it becomes aware of a fact or circumstance which has caused or is reasonably likely to cause a representation or warranty in Section 3.2 to become untrue, inaccurate or misleading in any material respect at any time (by reference to circumstances subsisting at that time) before a Subsequent Closing Date, if applicable.

ARTICLE 4
INDEMNIFICATION

4.1 Indemnity of the Parent and the Issuer

The representations, warranties and covenants of the Parent and the Issuer contained in this Agreement and in any other Transaction Agreements, and contained in any document delivered pursuant to this Agreement or to any other Transaction Agreements, are made jointly and severally by the Parent and the Issuer (other than the Payment Covenants, which are made exclusively by the Issuer) with the intent that they may be relied upon by the Investors in entering into this Agreement and the other Transaction Agreements, determining whether to purchase the Debentures and Warrants and consummating the transactions contemplated hereby and thereby, and the Parent and the Issuer covenant and agree to indemnify and save harmless the Investors (and their respective officers and directors) (collectively, the "**Investor Indemnitees**") from and against all (i) civil or administrative penalties imposed on the Investor Indemnitees arising from violations or alleged violations of applicable Laws and (ii) Losses, including amounts paid to settle actions (provided that the Parent and the Issuer have previously consented to such settlement) or satisfy judgements or awards suffered by the Investor Indemnitees, in each case caused by or arising directly or indirectly by reason of any inaccuracy in or breach by the Parent or the Issuer of any representation, warranty or covenant made by it under this Agreement and under any other Transaction Agreements, or under any document delivered pursuant to this Agreement or to any other Transaction Agreements.

4.2 Indemnity by the Investors

The representations, warranties and covenants of the Investors contained in this Agreement and in any other Transaction Agreements are made severally and not jointly and severally by the Investors with the intent that they may be relied upon by the Parent and the Issuer in entering into this Agreement and the other Transaction Agreements, determining

whether to issue the Debentures and the Warrants and consummating the transactions contemplated hereby, and the Investors covenant and agree on a several and not a joint and several basis to indemnify and save harmless the Parent and the Issuer (and their respective officers and directors) (collectively, the "**Parent Indemnitees**") from and against all (i) civil or administrative penalties imposed on the Parent Indemnitees arising from violations or alleged violations of applicable Laws and (ii) Losses, including amounts paid to settle actions (provided the Investors have previously consented to such settlement) or satisfy judgements or awards suffered by the Parent Indemnitees, in each case caused by or arising directly or indirectly by reason of any inaccuracy in or breach by such Investor of any representation, warranty or covenant made by it under this Agreement and under any other Transaction Agreements.

4.3 Limitations

No claim shall be made against the Parent or the Issuer under Section 4.1, and no claim shall be made against the Investors under Section 4.2, until the aggregate amount of the claims asserted against such party under Sections 4.1, in the case of the Parent and the Issuer, or under Section 4.2 in the case of the Investors, shall be at least CAD$100,000. The maximum aggregate liability of the Parent and the Issuer to the Investor Indemnitees under Section 4.1 and the maximum aggregate liability of the Investors to the Parent Indemnitees under Section 4.2 shall not exceed, in each case, the total amount of Aggregate Proceeds advanced by the Investors.

4.4 Survival

Notwithstanding anything to the contrary in this Agreement or in any other Transaction Agreements, all provisions of this Agreement and of any other Transaction Agreements, and of any document delivered pursuant to this Agreement or to any other Transaction Agreements, shall survive the execution, delivery and performance of this Agreement and of any other Transaction Agreements, and of any document delivered pursuant to this Agreement or to any other Transaction Agreements, and any Closing Date.

4.5 Exclusivity

The provisions of this Article 4 shall apply to any claim described in Section 4.1 and Section 4.2, with the intent that all such claims shall be subject to the limitations and other provisions contained in this Article 4. This provision is not intended to preclude any proceeding by any party against any other party based on fraud or fraudulent misrepresentation.

4.6 No Recourse

Notwithstanding anything to the contrary in this Agreement, in any of the other Transaction Agreements or in any other documents delivered pursuant to this Agreement or any other Transaction Agreement, the Investors acknowledge and agree that the Issuer's obligations under the Debentures are solely the Issuer's responsibility and that the Parent has not guaranteed those obligations and is not responsible in any way for the performance of the Issuer's

obligations under the Debentures, including the making of any cash payment of principal or interest on the Debentures or any cash payment of the Redemption Price (as defined in the Debentures) or in satisfaction of the Change of Control Redemption Price (as defined in the Debentures) (the "**Non-Recourse Obligations**"). For certainty, the Non-Recourse Obligations shall not include any obligation of the Parent to deliver Variable Voting Shares to the Investors in accordance with the terms of the Debentures or any other Transaction Agreements. The Investors agree that none of the Investor Indemnitees shall have or make claims against the Parent, whether under contract, tort or other theory, for payment or recovery of any of the Non-Recourse Obligations, including by way of any indemnity claim under Section 4.1 provided that, for greater certainty, nothing in this Section 4.6 limits the Investors' rights to make any other indemnity claims against the Parent under Section 4.1 for any inaccuracy in or breach of any representation, warranties and covenants of the Parent contained in the Transaction Agreements.

ARTICLE 5
SHAREHOLDER APPROVAL

5.1 Shareholder Approval

(a) At the 2020 AGM, the Parent shall seek the approval of Shareholders in accordance with the Act and all applicable Securities Laws ("**Shareholder Approval**") for (i) the removal of the Exchange Cap and (ii) setting the Initial Exchange Price for each Subsequent Debentures at an amount equal to the Exchange Price of the Initial Debentures as at the date such Subsequent Debenture is issued or the date of the 2020 AGM, whichever occurs later (the "**Shareholder Approval Matters**").

(b) Subject to compliance by the directors and officers of the Parent with their fiduciary duties, the Parent shall use commercially reasonable efforts to solicit proxies from Shareholders in favour of the resolutions approving the Shareholder Approval Matters.

(c) The management information circular for the 2020 AGM (the "**Circular**") shall include: (i) a statement that the Corporate Finance Committee unanimously approved the transactions contemplated by the Transaction Agreements; (ii) a statement that the Board unanimously (excluding any members thereof who abstained from voting or recused themselves), after considering the recommendation of the Corporate Finance Committee and consulting with outside legal counsel and financial advisors, determined that the transactions contemplated by the Transaction Agreements are in the best interests of the Parent and approved such transactions; and (iii) subject to compliance by the directors of the Parent with their fiduciary duties, a statement that the Board unanimously recommends (excluding any members thereof who abstained from voting or

recused themselves) that Shareholders vote in favour of the resolutions approving the Shareholder Approval Matters.

(d) The Parent shall give the Investors and their legal counsel a reasonable opportunity to review and comment on drafts of those portions of the Circular relating to the Shareholder Approval Matters and shall give reasonable consideration to any comments made by the Investors and their legal counsel, and agrees that all information relating solely to the Investors and their Affiliates included in the Circular must be in a form and content satisfactory to the Investors, acting reasonably.

ARTICLE 6
CLOSING

6.1 Initial Closing

The Initial Closing shall occur via the electronic exchange of documents in accordance with Section 6.2 and Section 6.3, on the Initial Closing Date, subject to satisfaction or waiver of the conditions set forth in Section 6.4 and Section 6.5 but shall in no event occur later than July 13, 2020 (the "**Outside Date**"). If the Initial Closing has not occurred on or prior to the Outside Date, this Agreement may be terminated by any party with respect to such party solely, and without prejudice to the other parties, whereupon this Agreement shall forthwith become void with respect to such terminating party and such terminating party shall have no liability or further obligation to any other party hereunder or under any of the other Transaction Agreements, except in respect of any breach of this Agreement by such party prior to such termination; provided that no party may exercise this termination right if it fails to fulfill any of its covenants and obligations under this Agreement or breaches any of its representations and warranties in this Agreement.

6.2 Initial Closing Deliveries of the Parent and the Issuer

The Parent and the Issuer, as applicable, shall deliver or cause to be delivered to the Investors on or before the Initial Closing Date, the following:

(a) evidence satisfactory to the Investors of the TSX Approval;

(b) a certificate from a duly authorized officer of the Parent certifying: (i) the articles of the Parent; (ii) the incumbency of certain officers of the Parent; and (iii) the resolutions of the board of directors of the Parent approving (A) the issuance of the Warrants, the Exchange Shares and the Warrant Shares and the execution, delivery and performance of the Parent's obligations under each of the Transaction Agreements to which it is a party and the consummation of the transactions contemplated hereunder and thereunder and (B) the appointment of Jonathan Whitcher to the Corporation Finance Committee;

(c) a certificate from a duly authorized officer of the Issuer certifying: (i) the certificate of formation and limited liability company agreement of the Issuer; (ii) the incumbency of certain officers of the Issuer; and (iii) the resolutions of the board of managers of the Issuer approving the issuance of the Debentures, the execution, delivery and performance of the Issuer's obligations under each of the Transaction Agreements to which it is a party and the consummation of the transactions contemplated hereunder and thereunder;

(d) a legal opinion addressed to the Investors, in form and substance satisfactory to the Investors and their counsel, acting reasonably, from Canadian counsel to the Parent;

(e) a legal opinion addressed to the Investors, in form and substance satisfactory to the Investors and their counsel, acting reasonably, from United States counsel to the Issuer;

(f) a certificate from the applicable Governmental Entity, dated as of a recent date, evidencing the good standing of each of the Parent and the Issuer in their respective jurisdiction of origination or formation;

(g) acknowledgment copies or time stamped receipt copies of proper financing statements, duly filed on or before the Initial Closing Date under the UCC in all jurisdictions that the Investors may deem necessary or desirable in order to perfect the interests in the collateral pledged under the Pledge and Security Agreements and the Account Control Agreement;

(h) acknowledgment copies or time stamped receipt copies of proper financing statements, if any, necessary to release all security interests and other rights of any Person in the collateral pledged under the Pledge and Security Agreements and the Account Control Agreement;

(i) completed requests for information, dated on or before the Initial Closing Date, listing the financing statements referred to in clause (h) above and all other effective financing statements filed in the jurisdictions referred to in clause (g) above that name the Issuer (under its present name and any previous name) as debtor, together with copies of such other financing statements (none of which shall cover the collateral pledged under the Pledge and Security Agreements and the Account Control Agreement); and

(j) the Transaction Agreements (other than the Subsequent Debentures and the Subsequent Security Documents), duly executed and delivered by the Parent and the Issuer, as applicable.

6.3 Closing Deliveries of the Investors

The Investors shall deliver, or cause to be delivered to the Parent and the Issuer, on the Initial Closing Date, the following:

(a) payment of the Initial Proceeds in accordance with Section 2.4; and

(b) the Transaction Agreements (other than the Subsequent Debentures and the Subsequent Security Documents), duly executed and delivered by the Investors.

6.4 Conditions to the Investors' Obligations to Purchase the Initial Debentures and Warrants

The obligation of the Investors hereunder to purchase the Initial Debentures and Warrants is subject to the satisfaction, at or before the Initial Closing Date, of each of the following conditions, provided that these conditions are for the Investors' sole benefit and may be waived by the Investors at any time in its sole discretion by providing the Issuer and the Parent with prior written notice thereof:

(a) The Initial Closing Date shall be on or before the Outside Date;

(b) the Parent and the Issuer shall have completed the deliveries set forth in Section 6.2;

(c) the representations and warranties of the Parent contained in the Transaction Agreements shall be true and correct in all material respects (except for any representations or warranties already qualified by materiality or Material Adverse Effect, in which case such representations and warranties shall be true and correct in all respects) as of the date when made and as of the Initial Closing Date as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and the Parent shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Agreements to be performed, satisfied or complied with by the Parent at or prior to the Initial Closing Date. The Investors shall have received a customary certificate, executed by the Chief Executive Officer or Chief Financial Officer of the Parent (in such Person's capacity as an officer of the Parent and not in their personal capacity and without personal liability) and dated as of the Initial Closing Date, to the foregoing effect and as to such other matters as may be reasonably requested by the Investors (including regarding matters contemplated in Section 6.4(e));

(d) the representations and warranties of the Issuer contained in the Transaction Agreements shall be true and correct in all material respects (except for any representations or warranties already qualified by materiality or Material Adverse Effect, in which case such representations and warranties shall be true and correct

in all respects) as of the date when made and as of the Initial Closing Date as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and the Issuer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Agreements to be performed, satisfied or complied with by the Issuer at or prior to the Initial Closing Date. The Investors shall have received a customary certificate, executed by the Chief Executive Officer or Chief Financial Officer of the Issuer (in such Person's capacity as an officer of the Issuer and not in their personal capacity and without personal liability) and dated as of the Initial Closing Date, to the foregoing effect and as to such other matters as may be reasonably requested by the Investors; and

(e) no Material Adverse Effect shall have occurred between May 13, 2020 and the Initial Closing Date.

6.5 Conditions to the Parent and Issuer's Obligations to Sell the Initial Debentures and Warrants

The obligation of the Parent and the Issuer hereunder to sell the Initial Debentures and Warrants is subject to the satisfaction, at or before the Initial Closing Date, of each of the following conditions, provided that these conditions are for the Parent and the Issuer's sole benefit and may be waived by the Parent and the Issuer at any time in its sole discretion by providing the Investors with prior written notice thereof:

(a) Initial Closing shall have occurred on or before the Outside Date;

(b) the Investors shall have completed the deliveries set forth in Section 6.3; and

(c) the representations and warranties of the Investors contained in the Transaction Agreements shall be true and correct in all material respects (except for any representations or warranties already qualified by materiality or Material Adverse Effect, in which case such representations and warranties shall be true and correct in all respects) as of the date when made and as of the Initial Closing Date as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and the Investors shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Agreements to be performed, satisfied or complied with by the Investors at or prior to the Initial Closing Date. The Parent and Issuer shall have received a customary certificate executed by an officer of the general partner of the Investors (in such Person's capacity as an officer of the general partner of the Investors and not in their personal capacity and without personal liability) and dated as of the Initial Closing Date, to the foregoing effect and as to such other matters as may be reasonably requested by the Parent and the Issuer.

6.6 Subsequent Closings

Subject to Section 2.2, each Subsequent Closing for the purchase and sale of Subsequent Debentures shall occur via the electronic exchange of documents, on the applicable Subsequent Closing Date, subject to the satisfaction or waiver of the conditions set forth in Section 6.9 and Section 6.10. In no event shall the Subsequent Closing occur later than the Maturity Date.

6.7 Subsequent Closing Deliveries of the Parent and the Issuer

The Parent and the Issuer, as applicable, shall deliver or cause to be delivered to the Investors on or before the Subsequent Closing Date, the following:

(a) the Subsequent Debentures issuable at such Subsequent Closing Date, duly executed and delivered by the Issuer; and

(b) a certificate from the applicable Governmental Entity, dated as of a recent date, evidencing the good standing of each of the Parent and the Issuer in their respective jurisdiction of origination or formation.

6.8 Subsequent Closing Deliveries of the Investors

The Investors shall deliver, or cause to be delivered to the Parent and the Issuer, on the Subsequent Closing Date, the following:

(a) payment of the Subsequent Proceeds in respect of the Subsequent Debentures issuable at such Subsequent Closing Date in accordance with Section 2.4; and

(b) the Subsequent Debentures issuable at such Subsequent Closing Date, duly executed and delivered by the Investors.

6.9 Conditions to the Investors' Obligations to Purchase the Subsequent Debentures

The obligation of the Investors hereunder to purchase Subsequent Debentures is subject to the satisfaction, at or before the applicable Subsequent Closing Date, of each of the following conditions, provided that these conditions are for the Investors' sole benefit and may be waived by such Investors at any time in its sole discretion by providing the Issuer and the Parent with prior written notice thereof:

(a) the Initial Closing shall have occurred;

(b) the Parent and the Issuer shall have completed the deliveries set forth in Section 6.7;

(c) no Event of Default has occurred and is continuing;

(d) no Change of Control has occurred;

(e) the representations and warranties of the Parent contained in the Transaction Agreements shall be true and correct in all material respects (except for any representations or warranties already qualified by materiality or Material Adverse Effect, in which case such representations and warranties shall be true and correct in all respects) as of the date when made and as of the Subsequent Closing Date as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and the Parent shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Agreements to be performed, satisfied or complied with by the Parent at or prior to the Subsequent Closing Date. The Investors shall have received a customary certificate, executed by the Chief Executive Officer or Chief Financial Officer of the Parent (in such Person's capacity as an officer of the Parent and not in their personal capacity and without personal liability) and dated as of the Subsequent Closing Date, to the foregoing effect and as to such other matters as may be reasonably requested by the Investors (including regarding matters contemplated by Sections 6.9(c) and (d)); and

(f) the representations and warranties of the Issuer contained in the Transaction Agreements shall be true and correct in all material respects (except for any representations or warranties already qualified by materiality or Material Adverse Effect, in which case such representations and warranties shall be true and correct in all respects) as of the date when made and as of the Subsequent Closing Date as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and the Issuer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Agreements to be performed, satisfied or complied with by the Issuer at or prior to the Subsequent Closing Date. The Investors shall have received a customary certificate, executed by the Chief Executive Officer or Chief Financial Officer of the Issuer (in such Person's capacity as an officer of the Issuer and not in their personal capacity and without personal liability) and dated as of the Subsequent Closing Date, to the foregoing effect and as to such other matters as may be reasonably requested by the Investors (including regarding matters contemplated by Sections 6.9(c) and (d)).

6.10 Conditions to the Parent and Issuer's Obligations to Sell Subsequent Debentures

The obligation of the Parent and the Issuer hereunder to sell Subsequent Debentures is subject to the satisfaction, at or before the applicable Subsequent Closing Date, of each of the following conditions, provided that these conditions are for the Parent and the

Issuer's sole benefit and may be waived by the Parent and the Issuer at any time in its sole discretion by providing the Investors with prior written notice thereof:

(a) the Initial Closing shall have occurred;

(b) the Investors shall have completed the deliveries set forth in Section 6.8; and

(c) the representations and warranties of the Investors contained in the Transaction Agreements shall be true and correct in all material respects (except for any representations or warranties already qualified by materiality or Material Adverse Effect, in which case such representations and warranties shall be true and correct in all respects) as of the date when made and as of the Subsequent Closing Date as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and the Investors shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Agreements to be performed, satisfied or complied with by the Investors at or prior to the Subsequent Closing Date. The Parent and Issuer shall have received a customary certificate, executed by an officer of the general partner of the Investors (in such Person's capacity as an officer of the general partner of the Investors and not in their personal capacity and without personal liability) and dated as of the Subsequent Closing Date, to the foregoing effect and as to such other matters as may be reasonably requested by the Parent and the Issuer.

ARTICLE 7
MISCELLANEOUS

7.1 TSX Approval

The Parent hereby covenants and agrees with the Investors that the Parent shall use its commercially reasonable efforts to seek and obtain the TSX Approval prior to or on the Initial Closing Date.

7.2 Further Assurances

From time to time after the date of this Agreement, the parties will execute, acknowledge and deliver to the other parties such other instruments, documents and certificates and will take such other actions as the other parties may reasonably request in order to consummate the transactions contemplated by this Agreement and the other Transaction Agreements.

7.3 Public Disclosure and Filings

Except as otherwise required by applicable Law, no party shall make any public announcement with respect to the existence or terms of this Agreement or the transactions

provided for herein without the prior approval of the other parties, which shall not be unreasonably withheld or delayed. Each party shall use commercially reasonable efforts to permit the other parties to review and comment on all such public announcements prior to the release or filing thereof. Notwithstanding the foregoing, the Investors acknowledge and agree that the Parent may publicly disclose the terms of the Transaction Agreements and file the Transaction Agreements as required by applicable Securities Laws; provided that the Parent will consider, acting reasonably, any request by the Investors for redactions to, or confidential treatment of, such materials to the extent permitted under applicable Securities Laws. Parent hereby acknowledges and agrees that the Investors may make such filings as required by applicable Securities Laws with respect to its ownership of the Acquired Securities.

7.4 Notices

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by fax or e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

(i) in the case of the Investors:

[redacted]

Attention: Jonathan Whitcher

[redacted]

with a copy (which shall not constitute notice) to:

[redacted]

Attention: Robert Murphy

[redacted]

in the case of the Parent or the Issuer:

(ii) [redacted]

Attention: Aaron Ames

[redacted]

with a copy (which shall not constitute notice) to:

Attention: Michael Partridge

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) at the place of receipt, then on the next following Business Day) or, if mailed, on the third Business Day following the date of mailing; provided, however, that if at the time of mailing or within three Business Days thereafter there is or occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.

(c) Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 7.4.

7.5 Consent

Where a provision of this Agreement requires an approval or consent by a party and written notification of such approval or consent is not delivered within the applicable time in accordance with this Agreement, then the party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

7.6 Amendments and Waivers

No amendment or waiver of any provision of this Agreement shall be binding on any party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

7.7 Assignment

Neither party may assign any rights and benefits or obligations under this Agreement without the prior written consent of the other parties, except that the Investors may assign this Agreement or any of its rights and benefits or obligations under this Agreement (including the right to purchase Subsequent Debentures), in whole or in part, without the Parent's or the Issuer's prior written consent to any investment fund managed by Fine Capital Partners, L.P. or to any other Affiliates of Fine Capital Partners, L.P.

7.8 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by and against the parties and their respective successors or heirs, executors, administrators and other legal personal representatives, and permitted assigns.

7.9 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts, with the same effect as if all parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement. Electronic signatures and electronic pdf signatures shall be acceptable as a means of executing such documents.

7.10 Expenses

Each party will bear their own expenses in connection with the negotiation, preparation, execution and performance of this Agreement and the other Transaction Agreements and the transactions contemplated herein and therein, except that the Parent will be responsible for the fees and disbursements of legal counsel and other professional advisors of the Investors (up to a maximum aggregate amount of CAD$200,000) incurred in connection with the negotiation, preparation, execution and performance of this Agreement and the other Transaction Agreements and the transactions contemplated herein and therein.

7.11 Entire Agreement

This Agreement and the other Transaction Agreements constitute the entire agreements between the parties to this Agreement and the other Transaction Agreements pertaining to the subject matter of this Agreement and the other Transaction Agreements and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties with respect to the subject matter of this Agreement and the other Transaction Agreements (including, for greater certainty, the binding term sheet dated May 13, 2020 between the Parent and Fine Capital Partners L.P.)

[Remainder of page left intentionally blank.]

IN WITNESS WHEREOF this Agreement has been executed by the parties on the date first written above.

WILDBRAIN LTD.

by *"Eric Ellenbogen"*
Name: Eric Ellenbogen
Title: Chief Executive Officer & Vice Chair

WILDBRAIN HOLDINGS LLC

by *"Eric Ellenbogen"*
Name: Eric Ellenbogen
Title: Chief Executive Officer

ADOM PARTNERS, L.P., by its general partner, **FINE CAPITAL MANAGEMENT, L.L.C.**

By: *"Debra Fine"*

Name: Debra Fine
Title: Chairman and Founder

DEKEL PARTNERS, L.P., by its general partner, **FINE CAPITAL MANAGEMENT, L.L.C.**

By: *"Debra Fine"*

Name: Debra Fine
Title: Chairman and Founder

EXHIBIT A

FORM OF DEBENTURE

See attached.

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO WILDBRAIN HOLDINGS LLC (THE "COMPANY"), (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS UNDER REGULATIONS, (C) IN COMPLIANCE WITH RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT IN THE CASE OF TRANSFERS PURSUANT TO (C) OR (D) ABOVE, A LEGAL OPINION REASONABLY SATISFACTORY TO THE COMPANY TO SUCH EFFECT MUST BE FIRST PROVIDED. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA

[INVESTOR]

as Holder

- and -

WILDBRAIN HOLDINGS LLC

as Company

SECURED EXCHANGEABLE DEBENTURE

[●], 2020

Principal Amount: $[●]

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SECURED EXCHANGEABLE DEBENTURE
(the **"Debenture"**)

THIS DEBENTURE dated as of [●], 2020 between WildBrain Holdings LLC (the "**Company**") and [●] (the "**Holder**" and, together with the Company, the "**parties**").

WHEREAS the Holder has advanced $[●] to the Company, and the Company has agreed to issue the Debenture to the Holder in a principal amount equal to $[●] (the "**principal amount**") on the terms and conditions set out in the securities purchase agreement dated as of June 24, 2020 among the Company, the Holder and WildBrain Ltd. (the "**Purchase Agreement**"). This Debenture is one of the **[Initial]** Debentures referred to in the Purchase Agreement.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Defined Terms

As used herein the following expressions will have the following meanings and grammatical variations thereof shall have corresponding meanings:

"**Account Control Agreement**" has the meaning given to it in the Purchase Agreement.

"**Affiliate**" has the meaning given to it in the Securities Act.

"**arm's length**" has the meaning given to it in the *Income Tax Act* (Canada);

"**Associate**" has the meaning give to it in the Discretionary Service Regulations.

"**Board**" means the board of directors of WildBrain.

"**Business Day**" means any day, other than a Saturday or a Sunday, upon which banks are open for business in the cities of: Toronto, Ontario; Halifax, Nova Scotia; and New York, New York.

"**Capital Reorganization**" has the meaning assigned to such term in Section 3.4(d).

"Capital Stock" means Equity Securities or other equity interests in any Person or any warrants, options or other rights to acquire any such interests.

"**Change of Control**" means (a) any transaction (whether by purchase, merger or otherwise) whereby a Person or Persons acting jointly or in concert (other than the Holder or any other funds managed by Fine Capital Partners, L.P.) directly or indirectly acquires the right to cast, at a general meeting of the shareholders of WildBrain, more than 66-2/3% of the votes that may be ordinarily cast at a general meeting or (b) any transaction involving or that would result in the conveyance,

transfer, sale lease or other disposition of all or substantially all of WildBrain's and its Subsidiaries' assets and properties, taken as a whole, to an arm's length Person.

"**Change of Control Effective Date**" means, in respect of a Change of Control, the date upon which such Change of Control is completed or becomes effective.

"**Change of Control Payment Date**" has the meaning assigned to such term in Section 2.6.

"**Change of Control Redemption Price**" has the meaning assigned to such term in Section 2.6(a).

"**Change of Control Redemption Right**" has the meaning assigned to such term in Section 2.6(a).

"**Closing Date**" means the date of issue of this Debenture, which for clarity is [●][1].

"**Code**" has the meaning given to it in the Purchase Agreement.

"**Common Voting Shares**" means the common voting shares in the capital of WildBrain or any other shares in the share capital of WildBrain into which such class of shares is reclassified or reconstituted.

"**Company**" means WildBrain Holdings LLC, a Delaware limited liability company, and its legal successors and permitted assigns.

"**Convertible Securities**" means any agreement, option, warrant, note, instrument, right, unit or other security or conversion privilege issued or granted by WildBrain or any of its Subsidiaries that is exercisable or convertible into, or exchangeable for, or otherwise carries the right of the holder to purchase or otherwise acquire Shares, including pursuant to one or more multiple exercises, conversions and/or exchanges.

"**Credit Obligations**" means all present and future indebtedness, liabilities and obligations of the Company or any of its Affiliates to the Holder or any other investment fund managed by Fine Capital Partners, L.P. or any other Affiliate of Fine Capital Partners, L.P. under this Debenture and any Related Debentures including the principal amount outstanding, all debts, claims and indebtedness (whether incurred before or after the Maturity Date), accrued and unpaid interest and all fees, costs and expenses, whether primary, secondary, direct, contingent, fixed or otherwise, heretofore, now and/or from time to time hereafter owing, due or payable including, without limitation, all interest, fees, costs and expenses accrued or incurred after the filing of any petition under any bankruptcy or insolvency law.

"**Current Market Price**" at any date means the Weighted Average Trading Price of the Shares on the Principal Stock Exchange during the twenty consecutive Trading Days ending on, and including, the fifth Trading Day immediately preceding such date, converted to United States

[1] Insert Initial Closing Date or Subsequent Closing Date, as applicable.

Dollars using the Bank of Canada exchange rate on the fifth Trading Day immediately preceding such date.

"**Default**" means any event which, with the passage of time, the giving of notice or both, would constitute an Event of Default.

"**Discretionary Service Regulations**" means the Discretionary Services Regulations issued under the *Broadcasting Act* (Canada).

"**Distributed Property**" has the meaning given in Section 3.4(c).

"**EBITDA**" means the earnings before interest, taxes, depreciation and amortization of the Company and its Subsidiaries determined in accordance with the International Financial Reporting Standards, interpretations and the framework adopted by the International Accounting Standards Board, in effect from time to time, or other applicable accounting standards of the Company and its Subsidiaries from time to time.

"**Equity Securities**" means any securities (i) having voting rights in the election of the board of directors of a Person not contingent upon default, (ii) evidencing an ownership interest in a Person, or (iii) convertible into or exercisable or exchangeable for any of the foregoing (other than unexercised options issued to an employee, consultant, officer or director of a Person pursuant to an incentive option plan or otherwise), or any agreement or commitment to issue any of the foregoing.

"**Event of Default**" means any of the events described in Section 6.1.

"**Exchange Agreement**" has the meaning given to it in the Purchase Agreement.

"**Exchange Cap**" means 17 million Variable Voting Shares, adjusted as necessary to give effect to any share splits, share consolidations or other Capital Reorganizations affecting the Shares after the date hereof.

"**Exchange Date**" has the meaning assigned in Section 3.3(b).

"**Exchange Period**" has the meaning assigned in Section 3.1.

"**Exchange Price**" means the Initial Exchange Price, subject to adjustment in accordance with the terms of this Debenture.

"**Expiration Date**" has the meaning assigned in Section 3.4(e).

"**Expiration Time**" has the meaning assigned in Section 3.4(e).

"**Fair Market Value**" means, as at any date:

(a) with respect to a security listed and posted for trading on a stock exchange, the Weighted Average Trading Price of such security for the 20 consecutive Trading Days immediately preceding such date on the stock exchange on

which the greatest volume of trading in the security occurred during such 20 Trading Day period, converted to United States Dollars using the Bank of Canada exchange rate on the fifth Trading Day immediately preceding such date;

(b) with respect to a security not listed and posted for trading on a stock exchange but traded on an over-the-counter market, the Weighted Average Trading Price of such security on such over-the-counter market for the 20 consecutive Trading Days immediately preceding such date, converted to United States Dollars using the Bank of Canada exchange rate on the fifth Trading Day immediately preceding such date; or

(c) for any other security or property, the fair market value thereof at such date as determined by an Independent Member of the Investment Industry Regulatory Organization of Canada selected from time to time by the Board for such purpose, in either case, acting reasonably.

"**FATCA**" means Sections 1471 through 1474 of the Code, as of the date of this Debenture (or any amended or successor version that is substantively comparable thereto), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any intergovernmental agreements with respect thereto and local implementing laws, regulations and official guidance with respect to the foregoing.

"**Governmental Entity**" means any:

(a) multinational, federal, provincial, territorial, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign;

(b) any subdivision or authority of any of the foregoing; or

(c) any quasi-governmental or private body exercising a regulatory, expropriation or taxing authority under or for the account of any of the above.

"**Gross-Up Payment**" has the meaning assigned to such term in Section 5.1(a)(i).

"**Holder**" means [●], a Delaware limited partnership, and its legal successors and permitted assigns.

"**Holder Payment Default**" means any failure by an Investor (as defined in the Purchase Agreement) to purchase a Subsequent Debenture (as defined in the Purchase Agreement) on a Subsequent Closing Date (as defined in the Purchase Agreement) in accordance with the terms of the Purchase Agreement which has not been remedied within two Business Days of such Subsequent Closing Date.

"**IFRS**" means International Financial Reporting Standards, as established by the International Accounting Standards Board, as adopted by the Chartered Professional Accountants of Canada.

"**Indebtedness**" means, with respect to any Person: (a) the amount of any indebtedness of such Person, whether or not contingent: (i) in respect of borrowed money, (ii) evidenced by bonds, notes, debentures or similar instruments or letters of credit, letters of guarantee or bankers' acceptances (or, without duplication, reimbursement obligations or indemnification obligations in respect thereof) and (iii) all renewals, extensions and refinancing of the foregoing; (b) to the extent not otherwise included in clause (a) of this definition, any obligation of such Person to be liable for, to purchase, to assume, or to pay, as obligor, guarantor or otherwise, on the Indebtedness of another Person (other than by endorsement of negotiable instruments for collection in the ordinary course of business); and (c) to the extent not otherwise included, in clause (a) or (b) of this definition, Indebtedness specified in clause (a) or (b) of this definition of another Person secured by a Lien on any asset owned by such Person (whether or not such Indebtedness is assumed by such Person); provided that "Indebtedness" does not include trade accounts payable and accrued liabilities (including contract loans and income taxes payable) incurred in the ordinary course of business;

"**Initial Exchange Price**" means the amount determined in accordance with Section 2.6 of the Purchase Agreement.

"**Interest Payment Date**" means (i) the Maturity Date, (ii) any Exchange Date (in relation to the accrued and unpaid interest on the principal amount of the Debenture exchanged by the Holder on exercising its exchange rights pursuant to the terms hereof) or (iii) the Redemption Date (in relation to the accrued and unpaid interest on the principal amount of the Debenture redeemed in accordance with the terms hereof).

"**Laws**" means any and all applicable laws including all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, instruments, policies, guidelines, and general principles of common law and equity, binding on or affecting the Person referred to.

"**Lien**" means any mortgage, pledge, hypothecation, collateral assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property).

"**Material Adverse Effect**" has the meaning given to it in the Purchase Agreement.

"**Maturity Date**" has the meaning assigned to such term in Section 2.3.

"Maturity Notice" means a maturity notice in the form attached as Exhibit A hereto.

"**NI 45-102**" means National Instrument 45-102 - *Resale of Securities*.

"**NI 62-104**" means National Instrument 62-104 – *Take-Over Bids and Issuer Bids.*

"**No Call Date**" means [●][2].

"**Notice of Exchange**" means a notice of exchange in the form attached as Exhibit C hereto.

"**Offered Securities**" has the meaning assigned to such term in Section 3.4(b).

"**parties**" means the parties to this Debenture.

"**Payment**" has the meaning assigned to such term in Section 5.1(a).

"**Payment Tax**" has the meaning assigned to such term in Section 5.1(a).

"**Permitted Indebtedness**" means (without duplication):

(a) Indebtedness owed by the Company or any of its Subsidiaries to the Holder or any other investment fund managed by Fine Capital Partners, L.P. or any other Affiliate of Fine Capital Partners, L.P.;

(b) Indebtedness secured by a Permitted Lien;

(c) Indebtedness that is expressly subordinated in right of payment to the prior payment in full of all of the Credit Obligations;

(d) unsecured Indebtedness;

(e) any other Indebtedness approved by the Holder as constituting Permitted Indebtedness;

(f) amounts owed to trade creditors and accruals in the ordinary course of business;

(g) guarantees of the obligations of the Company or any of its Subsidiaries of any Indebtedness that is permitted to be incurred pursuant to any of the foregoing; and

(h) any indebtedness owed by the Company to any of its Subsidiaries and vice versa, or by any Subsidiary of the Company to any other Subsidiary of the Company.

"**Permitted Liens**" means any one or more of the following:

(a) Liens for Taxes, assessments or governmental charges which are not overdue for a period of more than thirty days or are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with

[2] To be 18 months from the Initial Closing Date.

respect thereto are maintained on the books of the applicable Person in accordance with IFRS;

(b) Statutory or common law Liens of landlords, carriers, warehousemen, mechanics, materialmen, repairmen, construction contractors or other like Liens arising in the ordinary course of business, which secure amounts not overdue for a period of more than ninety days or if more than ninety days overdue, are unfiled (or if filed, have been discharged or are stayed) and no other action has been taken to enforce such Lien or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person;

(c) Liens, pledges or deposits in the ordinary course of business (i) in connection with workers' compensation, unemployment insurance and other social security legislation, (ii) securing liability for reimbursement or indemnification obligations of (including bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance or (iii) securing obligations in respect of letters of credit that have been posted by the Company or any of its Subsidiaries to support the payment of items set forth in clauses (i) and (ii);

(d) Liens to secure the performance of tenders, statutory obligations, bids, trade contracts, governmental contracts, leases and other contracts (other than Indebtedness for borrowed money), statutory obligations, licenses, surety, stay, customs and appeal bonds, performance and return-of-money bonds, performance and completion guarantees and other obligations of a like nature (including (i) those to secure health, safety and environmental obligations, (ii) those required or requested by any governmental authority and (iii) letters of credit issued in lieu of any such bonds or to support issuance thereof) and other Liens in favor of providers of performance or surety bonds pursuant to customary indemnity and other similar arrangements entered into in connection therewith incurred in the ordinary course of business;

(e) (i) easements (including reciprocal easement arrangements), reservations, rights-of-way, restrictions (including building, zoning and similar restrictions), utility agreements, covenants, reservations, encroachments, protrusions, changes and other similar encumbrances and title defects affecting real property which, in the aggregate, do not in any case materially and adversely interfere with the ordinary conduct of the business of the Company and its Subsidiaries on the properties subject thereto, taken as a whole, (ii) mortgages, liens, security interests, restrictions, encumbrances or any other matter of record that have been placed by any developer, landlord or other third party on property over which the Company or any of its Subsidiaries has easement rights or a leasehold, and subordination or similar agreements relating thereto, (iii) ground leases in the ordinary course in

respect of real property on which facilities owned or leased by the Company or any of its Subsidiaries are located and (iv) Liens arising on any real property as a result of any eminent domain, condemnation or similar proceeding being commenced with respect to such real property;

(f) Liens securing judgments, or arising by reason of a judgment, decree or court order;

(g) leases, licenses, subleases or sublicenses granted to others in the ordinary course of business and not interfering in any material respect with the business of the Company and its Subsidiaries, taken as a whole;

(h) Liens (i) in favor of customs and revenue authorities arising as a matter of Law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business or (ii) on specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances or letters of credit issued or created for the account of such Person, or supporting trade payables, warehouse receipts or similar facilities entered into, to facilitate the purchase, shipment or storage of such inventory or other goods in the ordinary course of business;

(i) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code (or analogous provisions of applicable Law) on items in the course of collection, (ii) attaching to commodity trading accounts or other commodities brokerage accounts incurred in the ordinary course of business; and (iii) in favor of a banking or other financial institution arising as a matter of Law or under customary general terms and conditions encumbering deposits (including the right of setoff) and which are within the general parameters customary in the banking industry;

(j) Liens (i) on cash or cash equivalents advances in favor of the seller of any property to be acquired by the Company or a Subsidiary to be applied against the purchase price for such property, (ii) arising out of conditional sale, title retention, consignment or similar arrangements for the purchase or sale of goods entered into by the Company or any of its Subsidiaries in the ordinary course of business, (iii) solely on any cash earnest money deposits made by the Company or any of its Subsidiaries in connection with any letter of intent or purchase agreement or (iv) consisting of an agreement to dispose of any property;

(k) Liens arising from precautionary UCC financing statement (or similar filings under applicable Law) filings regarding leases, consignment or bailee arrangements, or other non-Indebtedness arrangements, entered into by the Company or any of its Subsidiaries;

(l) any interest or title of a lessor, sublessor, licensee, sublicensee, licensor or sublicensor under any lease, sublease, license (or other grants of rights to use or exploit) or sublicense agreement or secured by a lessor's, sublessor's, licensee's, sublicensee's, licensor's or sublicensor's interest under any lease, sublease, license or sublicense permitted by this Agreement (including software and other technology licenses), and any Lien deemed to exist in connection with software escrow arrangements entered into by the Company or any of its Subsidiaries with third parties that do not interfere in any material respect with the business of the Company and its Subsidiaries, taken as a whole;

(m) Liens that are customary contractual rights of setoff (i) relating to the establishment of depository relations with banks or other financial institutions not given in connection with the incurrence of Indebtedness, (ii) relating to pooled deposit or sweep accounts of the Company or any of its Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company or any of its Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Company or any of its Subsidiaries in the ordinary course of business;

(n) (i) deposits made in the ordinary course of business to secure liability to insurance carriers and (ii) Liens on insurance policies and the proceeds thereof securing the financing of insurance premiums with respect thereto;

(o) Liens arising in the ordinary course of business under contracts with broadcasters, licensees, licensors and distributors in favor of such broadcasters, licensees, licensors and distributors to secure, among other things, covenants, obligations, liabilities, debts, rights (in intellectual property or otherwise) and the performance of the obligations of the Company or any of its Subsidiaries to such broadcasters, licensees, licensors and distributors and, if applicable, the quiet enjoyment of the rights granted to such broadcasters, licensees, licensors and distributors and, if applicable, the right to recoup any advances and minimum guarantees paid by such broadcasters, licensees and distributors;

(p) Liens in favor of ACTRA Performers' Rights Society, Union of British Columbia Performers, the Directors' Guild and any other similar union or collective bargaining organization in any jurisdiction in respect of productions, provided that the aggregate amount payable in respect of the obligations secured by such Liens shall not exceed $500,000 at any time outstanding;

(q) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into by the Company or any of its Subsidiaries in the ordinary course of business;

(r) Liens incurred in the ordinary course of business in connection with the purchase or shipping of goods or assets (or the related assets and proceeds thereof), which Liens are in favor of the seller or shipper of such goods or assets and only attach to such goods or assets;

(s) reservations, limitations, provisos and conditions, if any, expressed in any original grant from the Crown of any real property or any interest therein, provided they do not materially interfere with the use of the assets of the Person in the operation of the business of the Person;

(t) Liens securing the Permitted Indebtedness referred to in paragraph (c) of the definition thereof;

(u) the extension, renewal or refinancing of any Permitted Lien;

(v) such other Liens as may be consented to by the Holder in writing prior to their creation, assumption or registration;

(w) Liens securing the Secured Obligations to the Holder or any other investment fund managed by Fine Capital Partners, L.P. or any other Affiliate of Fine Capital Partners, L.P.; and

(x) Liens arising out of or related to the obligations of the Company or any of its Subsidiaries to pay any deferred or contingent amount of the purchase price for any shares, assets or rights of another Person as permitted in the Purchase Agreement in connection with the Use of Proceeds, provided that such Liens are either unsecured or subordinated and postponed pursuant to a subordination and postponement agreement satisfactory to the Holder.

"**Person**" means any natural Person, corporation, firm, partnership, joint venture, joint stock company, incorporated or unincorporated association, government, governmental agency or any other entity, whether acting in individual, fiduciary or other capacity.

"**Pledge and Security Agreements**" has the meaning given to it in the Purchase Agreement.

"**principal amount**" has the meaning ascribed thereto in the recitals to this Debenture.

"**Principal Stock Exchange**" means the TSX, and if the Shares are not listed on the TSX but are listed on another stock exchange or stock exchanges in Canada or the United States, references to the Principal Stock Exchange will be deemed to be references to such other stock exchange or, if more than one, to the one on which the greatest volume of Shares regularly trades during the prior 12 month period.

"**Purchase Agreement**" has the meaning assigned to such term in the recitals.

"**Purchased Shares**" has the meaning assigned to such term in Section 3.4(e)(ii)(A).

"**Redemption Date**" means the date on which this Debenture (or any portion thereof) is to be redeemed in accordance with Sections 2.4 and 2.6.

"Redemption Notice" means a redemption notice in the form attached as Exhibit B hereto.

"**Redemption Price**" has the meaning given to it in Section 2.4(a).

"**Regulatory Cap**" means the number of Shares, that if issued to the Holder or any of its Affiliates or Associates, would result in the Holder and its Affiliates or Associates holding in the aggregate, sufficient Shares to exceed any applicable thresholds requiring approval pursuant to the *Broadcasting Act* (Canada) or *Competition Act* (Canada) and the associated regulations and directions including, in particular: (i) the Holder and its Affiliates holding, in the aggregate, more than 20% of the votes attached to all of WildBrain's voting shares for the purpose of the *Competition Act* (Canada); or (ii) the Holder and its Associates controlling, in the aggregate, 30% or more of the votes attached to all of WildBrain's voting shares for the purposes of the Discretionary Service Regulations; or (iii) the Holder and its Associates owning, in the aggregate (directly and indirectly), 50% or more than 50% of the issued common shares of WildBrain (including its Common Voting Shares and Variable Voting Shares) for the purposes of the Discretionary Service Regulations.

"**Related Debentures**" means all debentures other than this Debenture issued by the Company pursuant to the terms of the Purchase Agreement.

"**Reporting Jurisdictions**" means each of the provinces of Canada.

"**Representatives**" means, in respect of any Person, the directors, officers, employees, consultants and professional advisors of such Person.

"**Restricted Payment**" means, in respect of a specified Person, any of the following: (i) the declaration or payment of any dividend or any other distribution or payment on the issued and outstanding capital of such Person or any payment made to the direct or indirect holders (in their capacities as such) of capital of such Person (other than (x) dividends or distributions payable solely in Capital Stock or in options, warrants or other rights to purchase Capital Stock, and (y) dividends or any other distributions or payments on capital payable to the Company or any Subsidiary of the Company), (ii) the purchase, redemption or other acquisition or retirement for value of any Equity Securities of a Person or a Subsidiary of a Person (other than Equity Securities owned by such Person or a wholly-owned Subsidiary of such Person), unless redeemed from a wholly-owned Subsidiary of such Person, (iii) the making of any payment or repayment of or on account of any Indebtedness (other than Indebtedness described in subsections (a), (b) (in relation to Indebtedness secured by a Permitted Lien described in subsections (p) or (x) of the definition of Permitted Liens), (e), (f) and (g) (insofar as any guarantees under subsection (g) do not relate to Indebtedness described under subsections (b) (except for Indebtedness secured by a Permitted Lien described in subsections (p) or (x) of the definition of Permitted Liens), (c), (d) or (h)) of the definition of Permitted Indebtedness), including in respect of any principal, interest, bonus, premium or otherwise, or the purchase, defeasance, repurchase, redemption or other acquisition or retirement for value, any Indebtedness (other than Indebtedness described in subsections (a), (b) (in relation to

Indebtedness secured by a Permitted Lien described in subsections (p) or (x) of the definition of Permitted Liens) (e), (f) and (g) (insofar as any guarantees under subsection (g) do not relate to Indebtedness described under subsections (b) (except for Indebtedness secured by a Permitted Lien described in subsections (p) or (x) of the definition of Permitted Liens), (c), (d) or (h)) of the definition of Permitted Indebtedness) and (iv) forgiveness of any Indebtedness.

"**Rights Offering**" has the meaning given to it in Section 3.4(b).

"**Secured Obligations**" has the meaning ascribed thereto in the Pledge and Security Agreements.

"**Securities Act**" means the *Securities Act* (Ontario), as amended.

"**Securities Laws**" has the meaning given to it in the Purchase Agreement.

"**Securities Legislation**" means all applicable securities legislation in each Reporting Jurisdiction, and the rules and regulations made thereunder, and the orders and published policy statements of the securities commissions or other securities regulatory authorities in such jurisdictions, and the rules, regulations and policies of any stock exchange or quotation system on which the Shares are then listed or quoted, as the case may be, including the Principal Stock Exchange.

"**Share Interest Payment Election Notice**" means a written notice made by the Company to the Holder and to WildBrain specifying:

(a) the relevant Interest Payment Date;

(b) the amount of interest payable to the Holder on such Interest Payment Date; and

(c) that the Company has exercised the Share Repayment Election, in whole or in part (in such amounts as specified in such Share Interest Payment Election Notice) in respect of such interest payable.

"**Share Reorganization**" has the meaning given to it in Section 3.4(a).

"**Share Repayment Cap**" means, at any time, (i) 12 million Variable Voting Shares less (ii) the aggregate number of Variable Voting Shares issued prior to such time upon any exchange of this Debenture or any Related Debentures or in satisfaction of the outstanding principal amount or accrued and unpaid interest of this Debenture or any Related Debenture.

"**Share Repayment Election**" has the meaning given to it in Section 2.5(a).

"**Shareholder Approval**" has the meaning given to it in the Purchase Agreement.

"**Shareholder Approval Matters**" has the meaning given to it in the Purchase Agreement.

"**Shareholders**" means the registered owners of Shares.

"**Shares**" means the Common Voting Shares and the Variable Voting Shares.

"**Special Distribution**" has the meaning assigned to such term in Section 3.4(c).

"**Subsequent Security Documents**" has the meaning given to it in the Purchase Agreement.

"**Subsidiary**" means any entity with respect to which a Person (or a Subsidiary thereof) has the power, through the ownership of securities or otherwise, to elect at least a majority of the directors, or similar managing body, or in which such Person owns directly or indirectly 50% or more of the fair market value of the equity of such entity.

"**Taxes**" means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any applicable Governmental Entity, and including any interest and penalties thereon or with respect to the foregoing.

"**Tax Returns**" means all returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in written, electronic or other form) and any amendments, schedules, attachments, supplements, appendices and exhibits thereto, which have been prepared or filed or required to be prepared or filed in respect of Taxes.

"**Trading Day**" means a day on which the Principal Stock Exchange is open for the transaction of business and Shares have traded.

"**Transaction Agreements**" has the meaning given to it in the Purchase Agreement.

"**TSX**" means the Toronto Stock Exchange.

"**Use of Proceeds**" has the meaning given to it in the Purchase Agreement.

"**Variable Voting Shares**" means the variable voting shares in the capital of WildBrain or any other shares in the share capital of WildBrain into which such class of shares is reclassified or reconstituted.

"**Warrants**" means the warrants to purchase 5,000,000 Variable Voting Shares issued by WildBrain pursuant to the Purchase Agreement on June 24, 2020.

"**Weighted Average Trading Price**" means, with respect to any security listed on a stock exchange or quoted on a quotation service during a specified period, the per share volume-weighted average price as displayed on Bloomberg in respect of such security (or its equivalent successor) in respect of such period, or, if such price is not available, "**Weighted Average Trading Price**" shall mean the market value per such security during such period as determined using a volume-weighted average method, by a nationally recognized independent investment banking firm retained by the WildBrain for this purpose.

"**WildBrain**" means WildBrain Ltd.

1.2 Rules of Construction

In this Debenture:

(a) the terms “Debenture”, “this Debenture”, “the Debenture”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Debenture in its entirety and not to any particular provision hereof;

(b) references to an “Article”, “Section” or “Schedule” followed by a number or letter refer to the specified Article or Section of or Schedule to this Debenture;

(c) the word “including” is deemed to mean “including without limitation”; and

(d) the terms “party” and “the parties” refer to a party or the parties to this Debenture, unless the context suggest otherwise.

1.3 Time of the Essence

Time shall be of the essence of each provision of this Debenture. Any extension, waiver or variation of any provision of this Debenture shall not be deemed to affect this provision and there shall be no implied waiver of this provision.

1.4 Calculation of Time

Unless otherwise specified, time periods within or following which any act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends. Where the last day of any such time period is not a Business Day, such time period shall be extended to the next Business Day following the day on which it would otherwise end.

1.5 Currency

Unless otherwise specified, all references in this Debenture to dollar amounts, “dollars” or “$” are references to United States dollars.

1.6 Business Days

Whenever any action to be taken pursuant to this Debenture would otherwise be required to be taken on a day that is not a Business Day, such action shall be taken on the next Business Day following the day on which such action was to be taken.

1.7 Headings

The descriptive headings preceding Articles and Sections of this Debenture are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such Articles or Sections. The division of this Debenture into Articles and Sections shall not affect the interpretation of this Debenture.

1.8 Schedules

The Schedules annexed hereto will, for all purposes, form an integral part of this Debenture.

1.9 Plurals and Gender

Words in the singular include the plural and vice versa and words in one gender include all genders.

1.10 Statutory References

Any reference to a statute or regulatory instrument shall mean the statute or regulatory instrument in force as at the date of this Debenture, together with all rules and regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated or replaced from time to time, and any successor statute or regulatory instrument thereto, unless otherwise expressly provided.

1.11 Agreements

Any reference to any agreement (including this Debenture) means such agreement as amended, modified, replaced or supplemented from time to time.

1.12 Divisions

For all purposes under the Transaction Agreements, in connection with any division or plan of division under applicable Law: (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

1.13 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Debenture and the provisions of the other Transaction Agreements then, notwithstanding anything contained in the other Transaction Agreements, the provisions contained in this Debenture shall prevail to the extent of such conflict or inconsistency and the provisions of such other Transaction Agreements will be deemed to be amended to the extent necessary to eliminate such conflict.

ARTICLE 2
TERMS

2.1 Principal Sum

For value received, the Company promises to pay on the Maturity Date to the Holder, subject to the terms hereof, the then outstanding principal amount of this Debenture together with any

accrued and unpaid interest thereon to the Maturity Date, in lawful money of the United States at the office of the Holder set forth in Section 7.5(a), or in such other manner as the Holder may designate.

2.2 Interest

(a) The principal amount of this Debenture outstanding will bear simple interest from and after the date hereof at a rate of 7.5% per annum, accruing daily calculated and payable in cash (unless the Company elects to satisfy such payment obligation in Shares pursuant to the terms hereof) on each Interest Payment Date in accordance with the terms hereof.

(b) For purposes of the *Interest Act* (Canada), whenever any interest or fee under this Debenture is calculated using a rate based on a number of days less than a full year, such rate determined pursuant to such calculation, when expressed as an annual rate, is equivalent to (x) the applicable rate, (y) multiplied by the actual number of days in the calendar year in which the period for which such interest or fee is payable (or compounded) ends, and (z) divided by the number of days based on which such rate is calculated.

(c) The Company may, as described in Section 2.5 but subject to this Section 2.2(c), exercise the Share Repayment Election (as defined below), in whole or in part, in respect of its obligation to make any interest payment to the Holder on any Interest Payment Date in accordance with Section 2.2(a) by delivering to the Holder and to WildBrain a Share Interest Payment Election Notice on the date that is the earlier of (i) the date required by applicable Law or the rules of any stock exchange upon which the Shares are listed, and (ii) the day which is at least 15 Business Days prior to the Interest Payment Date to which the Share Repayment Election relates. The Company may not exercise the Share Repayment Election in respect of any accrued and unpaid interest due and payable on exercise of the Change of Control Redemption Right in accordance with Section 2.6 or on exercise of the Holder's exchange right in accordance with Article 3.

2.3 Maturity

(a) Subject to the terms hereof, the outstanding principal amount of this Debenture will be repayable by the Company to the Holder on the earlier of (a) [●], 2023 (the "**Maturity Date**"), and (b) the occurrence of an Event of Default in accordance with Article 6.

(b) The Company may, as described in Section 2.5, exercise the Share Repayment Election in respect of its obligation to repay on the Maturity Date the principal amount, in whole or in part, of the Debentures by delivering a Maturity Notice to the Holder and to WildBrain not less than 30 days and not more than 60 days prior to the Maturity Date.

2.4 Voluntary Redemption

(a) From and after the No Call Date, all or any part of the outstanding principal amount of the Debenture may be redeemed at the option of the Company, at any time and from time to time by delivering a Redemption Notice to the Holder and to WildBrain not less than 30 days and not more than 60 days prior to the Redemption Date at a redemption price equal to such amount of the outstanding principal amount of the Debenture to be redeemed, plus all accrued and unpaid interest thereon up to but excluding the Redemption Date (the "**Redemption Price**"); provided that such notice may only be delivered and the Company may only proceed with such redemption if (i) the Current Market Price as of the date the notice of redemption is given exceeds 135% of the Exchange Price as of the date the notice of redemption is given; (ii) no Change of Control has occurred; and (iii) no Event of Default has occurred and is continuing. Every Redemption Notice shall specify the aggregate principal amount of the Debenture called for redemption, the amount of the accrued and unpaid interest thereon, the Redemption Price relating thereto, the Redemption Date and the specifics of the calculation of the Current Market Price.

(b) In addition to its redemption rights pursuant to Section 2.4(a), if a Holder Payment Default occurs, at any time thereafter the Company shall be entitled to redeem the Debenture in whole or in part at any time and from time to time thereafter, whether before or after the No Call Date and regardless of the Current Market Price at the time, upon not less than 30 days and not more than 60 days prior written notice by delivery of a Redemption Notice to the Holder and to WildBrain at the Redemption Price.

(c) Upon a Redemption Notice being delivered in accordance with Section 2.4(a), but subject to the Holder's exercise of its rights under Article 3, the Redemption Price shall be and become due and payable on the Redemption Date specified in such notice of redemption and with the same effect as if it were the Maturity Date of such principal amount of the Debenture to be redeemed and, from and after such Redemption Date, interest shall cease to accrue on the principal amount to be redeemed, unless the Company fails to make payment of the Redemption Price on the Redemption Date.

2.5 Share Payment Election

(a) Subject to Section 2.2(c), the Company may, at its option and subject to WildBrain receiving all necessary regulatory approvals, elect to satisfy its obligation to pay or repay, as applicable, (i) any outstanding principal amount of this Debenture on the Maturity Date, (ii) any amount of the Redemption Price on the Redemption Date or (iii) any accrued and unpaid interest on the applicable portion of the principal amount of the Debenture on the Interest Payment Date, by delivering to the Holder that number of Variable Voting

Shares equal to (A) the principal amount, portion of the Redemption Price or amount of accrued and unpaid interest, as applicable, that the Company wishes to satisfy pursuant to the Share Repayment Election divided by (B) an amount equal to 95% of the Current Market Price on the Maturity Date, Redemption Date or Interest Payment Date, as applicable (the "**Share Repayment Election**").

(b) Notwithstanding the above:

(i) in no event shall the aggregate number of Variable Voting Shares that may be delivered pursuant to the Share Repayment Election exceed, prior to the receipt of Shareholder Approval of the Shareholder Approval Matters, the Share Repayment Cap; and

(ii) the aggregate number of Variable Voting Shares that may be delivered upon (i) the exchange, redemption, or maturity of this Debenture and all Related Debentures, or in satisfaction of accrued and unpaid interest thereon and (ii) the exercise, in whole or in part, of the Warrant, shall not in any event exceed the Regulatory Cap.

For greater certainty, to the extent the number of Variable Voting Shares that may be delivered upon any redemption or maturity of this Debenture and all Related Debentures, or in satisfaction of accrued and unpaid interest thereon is restricted as a result of this Section 2.5(b), the Company shall satisfy the remaining balance of such obligation in cash.

(c) The Company shall exercise the Share Repayment Election by so specifying in a Share Interest Payment Election Notice, Maturity Notice or Redemption Notice delivered to both the Holder and to WildBrain in accordance with Section 2.2(c), Section 2.3(b) or Section 2.4(a), as applicable.

(d) The Company's right to exercise the Share Repayment Election is also subject to the following conditions being satisfied on the Maturity Date, Redemption Date or Interest Payment Date, as applicable:

(i) the listing or quoting of the Variable Voting Shares being delivered pursuant to the Share Repayment Election on the Principal Stock Exchange;

(ii) WildBrain being a reporting issuer or equivalent in good standing or equivalent under Securities Laws in the provinces and territories of Canada in which WildBrain is at that time a reporting issuer and have complied with all applicable Securities Laws;

(iii) no Event of Default having occurred that is continuing;

(iv) any Variable Voting Shares deliverable upon exercise of the Share Repayment Election will be duly authorized and validly issued as fully paid and non-assessable, free and clear of any liens, claims, rights or encumbrances, other than those arising under law as a result of the Holder thereof;

(v) WildBrain having maintained the listing of the Shares on the Principal Stock Exchange without any suspensions and having complied with all applicable rules and regulations of the Principal Stock Exchange;

(vi) the conditions set out in Section 2.1 of the Exchange Agreement have been satisfied; and

(vii) WildBrain having reserved for issuance, free from pre-emptive and other rights granted by WildBrain, such number of Variable Voting Shares as are deliverable upon exchange, maturity or redemption of the Debentures pursuant thereto.

If the foregoing conditions are not satisfied on the Redemption Date, Maturity Date or Interest Payment Date, as applicable, the Company shall pay in cash the principal amount, portion of the Redemption Price or amount of accrued and unpaid interest, as applicable, that the Company wishes to satisfy pursuant to the Share Repayment Election that would otherwise have been satisfied in Variable Voting Shares, unless the Holder waives the conditions which are not satisfied or extends the time by which the Company or WildBrain, as applicable, is to satisfy such condition.

(e) In the event that the Company exercises the Share Repayment Election in whole or in part, the Company shall, on the Redemption Date, Maturity Date or Interest Payment Date, as applicable, and upon presentation and surrender of this Debenture in connection with a redemption or on the Maturity Date at the address of the Company set out in Section 7.5, cause the Holder to be entered in the books of WildBrain as at the Redemption Date, Maturity Date or Interest Payment Date, as applicable, as the holder of the number of Variable Voting Shares to which the Holder is entitled pursuant to such Share Repayment Election and shall cause to be delivered to the Holder a certificate (or, if available and requested by the Holder, a direct registration system advice evidencing a non-certificated registered position) representing such number of Variable Voting Shares to which the Holder is entitled. In addition, in the event that the Company exercises the Share Repayment Election in part, the Company shall, on the Redemption Date, Maturity Date or Interest Payment Date, as applicable, deliver or cause to be delivered to the Holder, funds (by way of wire transfer) equal to the portion of the outstanding principal amount of the Debenture, applicable Redemption Price on such Redemption Date or accrued and unpaid interest on the applicable portion of the principal amount of the Debenture on the Interest Payment Date in respect

of which the Share Repayment Election was not exercised. In the event that the Company elects to redeem a portion of the outstanding principal amount of the Debenture, the Company shall deliver a certificate representing the principal amount of Debentures not being redeemed.

2.6 Change of Control

(a) If Wildbrain announces a Change of Control at any time during the term of this Debenture, the Holder will have the right (the "**Change of Control Redemption Right**") to require the Company to redeem all, but not less than all, of this Debenture at a price equal to 100% of the principal amount of this Debenture then outstanding, plus all accrued and unpaid interest thereon (the "**Change of Control Redemption Price**"). The Holder may exercise the right under this Section 2.6 by delivering a written redemption notice to the Company and to WildBrain on or before the 10th Business Day prior to the Change of Control Effective Date. Upon such redemption notice being given, this Debenture plus all accrued and unpaid interest thereon will become due and payable on the redemption date specified in such notice (the "**Change of Control Payment Date**"), which date shall not be later than the Change of Control Effective Date.

(b) If the Holder exercises the Change of Control Redemption Right, it may, by so specifying in the redemption notice contemplated by Section 2.6(a) and even if the Regulatory Cap would be exceeded and subject to the Exchange Cap, elect to require the Company to satisfy some or all of the principal amount of this Debenture then outstanding by delivering to the Holder that number of Variable Voting Shares equal to (i) the principal amount of this Debenture then outstanding that the Holder wishes to have satisfied in Variable Voting Shares (as specified in the Holder's written redemption notice) divided by (ii) the Exchange Price. The accrued and unpaid interest on the principal amount of the Debenture being redeemed by the Holder will be due and payable by the Company in cash on the Change of Control Redemption Date.

(c) In the event that the Holder exercises the Change of Control Redemption Right, the Company shall, on the Change of Control Payment Date and upon presentation and surrender of this Debenture at the address of the Company set out in Section 7.5, cause the Holder to be entered in the books of WildBrain as at the Change of Control Payment Date, as the holder of the number of Variable Voting Shares to which the Holder is entitled pursuant to the Change of Control Redemption Right and cause to be delivered to the Holder a certificate (or, if available and requested by the Holder, a direct registration system advice evidencing a non-certificated registered position) representing the Variable Voting Shares to which the Holder is entitled. In addition, the Company shall, on the Change of Control Payment Date, deliver or cause to be delivered to the Holder funds (by way of wire transfer) equal to the portion

of the Change of Control Redemption Price not satisfied by the delivery of Variable Voting Shares.

2.7 No Requirement to Issue Fractional Shares

The Company will not be required to deliver or cause to be delivered fractional Shares upon any exercise of the Share Repayment Election or the Change of Control Redemption Right. Any fractional Shares will be rounded down to the nearest whole number. For greater certainty, such rounding shall only occur after aggregating all Shares to be issued upon such exercise of the Share Repayment Election or the Change of Control Redemption Right.

2.8 Security

As continuing collateral security for the Secured Obligations, the Company has entered into the Pledge and Security Agreements and the Account Control Agreement and will, if requested by the Holder, enter into any Subsequent Security Document, in form to be agreed to between the Company and the Holder, each acting reasonably, that the Holder reasonably determines is necessary for the purposes of creating and maintaining the Holder's first priority perfected security interest in the property and assets of the Company, other than Excluded Assets (as defined in the Pledge and Security Agreements), and subject to the Perfection Exceptions (as defined in the Pledge and Security Agreements); provided, however, that the Company shall not be required to enter into any Subsequent Security Document if the Holder determines, acting reasonably, that the cost of entering into such Subsequent Security Document or perfecting the security interest in the property and assets subject thereto is disproportionate when compared to the practical benefit to the Holder obtained thereby.

2.9 Debentures to Rank Pari Passu

The Debenture and each of the Related Debentures will be direct secured obligations of the Company. The Debenture and each Related Debenture will rank *pari passu* with each other.

ARTICLE 3
EXCHANGE OF DEBENTURE

3.1 Exchange of Debenture for Variable Voting Shares

Upon and subject to the provisions and conditions of this Article 3, the Holder may, at its option, at any time and from time to time until 5:00 p.m. (Toronto time) on the Business Day immediately preceding the Maturity Date (the "**Exchange Period**"), exchange all or any portion of the outstanding principal amount of this Debenture for a number of Variable Voting Shares equal to the quotient obtained by dividing the principal amount of this Debenture being exchanged by the Exchange Price; provided, however, that with respect to any principal amount of the Debenture that the Company has elected to redeem on delivery of a Redemption Notice pursuant to Section 2.4(a), following receipt of such Redemption Notice the Holder may only

exercise its exchange rights in respect of such portion of the principal amount being redeemed at any time and from time to time until 5:00 p.m. (Toronto time) on the Business Day immediately preceding the applicable Redemption Date; provided, further, that the Holder may continue to exercise its exchange rights pursuant to this Section 3.1 for the remainder of the Exchange Period in respect of any portion of the outstanding principal amount of the Debenture that the Company has not elected to redeem on such Redemption Date.

3.2 Restrictions on Exchange

The Holder's right to exchange the Debenture is subject to the following limitations:

(a) until Shareholder Approval for the removal of the Exchange Cap has been obtained, the aggregate number of Variable Voting Shares that may be delivered upon (i) the exchange, redemption, or maturity of this Debenture and all Related Debentures, or in satisfaction of accrued and unpaid interest hereon and thereon and (ii) the exercise, in whole or in part, of the Warrant, shall not exceed the Exchange Cap; and

(b) the aggregate number of Variable Voting Shares that may be delivered upon (i) the exchange, redemption, or maturity of this Debenture and all Related Debentures, or in satisfaction of accrued and unpaid interest hereon and thereon and (ii) the exercise, in whole or in part, of the Warrant, shall not in any event exceed the Regulatory Cap.

3.3 Manner of Exercise of Exchange Right

(a) The Holder may exercise its right to exchange in accordance with the provisions of Article 3, by (i) sending to the Company and Wildbrain a Notice of Exchange in the manner provided in Section 7.5, and (ii) surrendering this Debenture to the Company at its address set out in Section 7.5.

(b) The date of exchange for the purposes of Article 3 (the "**Exchange Date**") shall be the date that the Company has received (i) the Notice of Exchange and (ii) the surrendered Debenture at the address of the Company set out in Section 7.5.

(c) Upon exchange of all or a portion of this Debenture in accordance with this Article 3, the Company shall cause the Holder to be entered in the books of WildBrain as at the applicable Exchange Date as the holder of the number of Variable Voting Shares into which the principal amount of this Debenture tendered for exchange pursuant to this Section 3.3 and, as soon as practicable, the Company shall cause to be delivered to the Holder a certificate (or, if available and requested by the Holder, a direct registration system advice evidencing a non-certificated registered position) for the appropriate number of the Variable Voting Shares and shall deliver to the Holder a certificate representing the outstanding principal amount of this Debenture not being exchanged, if any.

(d) The Company covenants and agree to pay to the Holder in cash an amount equal to any unpaid interest that has accrued up to the date immediately prior to the Exchange Date on the principal amount of this Debenture that is being exchanged pursuant to this Article 3.

(e) The Company and the Holder agree that the exchange of all or any portion of the principal amount of this Debenture into Variable Voting Shares in accordance with the provisions of this Article 3 and payment of the applicable accrued and unpaid interest thereon in accordance with Section 3.3(d) will constitute a full settlement of the debt obligation to the extent of the principal amount of this Debenture so exchanged in consideration for the delivery by the Company of such Variable Voting Shares.

3.4 Adjustment of Exchange Price

The Exchange Price will be subject to adjustment from time to time in the events and in the manner provided as follows:

(a) If during the Exchange Period WildBrain:

(i) issues any of its securities to all or substantially all holders of the Shares by way of a stock dividend or interest or distributions;

(ii) subdivides or redivides its outstanding Shares into a greater number of Shares; or

(iii) reduces, combines or consolidates its outstanding Shares into a smaller number of Shares,

(any of such events being herein called a "**Share Reorganization**"), then the Exchange Price will be adjusted effective as of the effective time of the Share Reorganization referred to in (ii) or (iii) above or after the record date at which holders of Shares are determined for the purposes of the Share Reorganization referred to in (i) above, as the case may be, to a price which is the product of (1) the Exchange Price and (2) a fraction:

(A) the numerator of which is the number of Shares outstanding immediately prior to giving effect to such Share Reorganization; and

(B) the denominator of which is the number of Shares outstanding after giving effect to the Share Reorganization;

(b) If during the Exchange Period WildBrain sets a record date for the issuance of Convertible Securities to all or substantially all holders of Shares, entitling them, for a period expiring not more than 45 days after the record date (the "**Offered Securities**") at a price per Offered Security (or having a conversion

price per such security) less than 95% of the Current Market Price as of such record date (the issuance of any such rights, options or warrants being a "**Rights Offering**"), then the Exchange Price will be adjusted downward effective immediately after the record date so that it will equal the price determined by multiplying the Exchange Price in effect on the record date by a fraction:

(i) the numerator of which will be the number of Shares outstanding on the record date plus a number of Shares equal to the number arrived at by dividing the aggregate price of the total number of additional Shares offered for subscription or purchase (or the aggregate conversion or exchange price of the Convertible Securities so offered) by the Current Market Price as of the record date of the Rights Offering; and

(ii) the denominator of which will be the number of Shares outstanding on the record date plus the total number of additional Shares offered for subscription or purchase (or into which the Convertible Securities so offered are convertible);

Such adjustment shall be made successively whenever such an issuance is made or a record date is fixed. To the extent that any such rights, options or warrants are not so issued or are not exercised prior to the expiration thereof, the Exchange Price will be readjusted to the Exchange Price which would then be in effect if the record date had not been fixed or the Exchange Price which would then be in effect based upon the number of Shares actually issued upon the exercise of such rights, options and warrants, as the case may be.

(c) If during the Exchange Period WildBrain issues or distributes to all or substantially all holders of Shares, (i) securities of any kind (including Convertible Securities), (ii) evidences of indebtedness, or (iii) any other assets (in each case, the "**Distributed Property**") and, in any of those cases, the issuance or distribution does not constitute a Share Reorganization or a Rights Offering (any of such events being herein called a "**Special Distribution**"), then the Exchange Price will automatically be adjusted as of the record date for such issuance or distribution so that it will equal the price determined by multiplying the Exchange Price in effect on such record date by a fraction:

(i) the numerator of which will be the number of Shares outstanding on the record date multiplied by the Current Market Price on the record date, less the Fair Market Value of the Special Distribution; and

(ii) the denominator of which will be the number of Shares outstanding on the record date multiplied by such Current Market Price.

Such adjustment shall be made successively whenever such a record date is fixed.

(d) If during the Exchange Period there is a reclassification or change of Shares into other shares or there is a reorganization of WildBrain or a consolidation or merger or amalgamation of, or arrangement involving, WildBrain with or into another Person that results in any reclassification of Shares or a change of Shares into other shares or there is a transfer of the undertaking or assets of WildBrain as an entirety or substantially as an entirety to another person (any such event being herein called a "**Capital Reorganization**"), then the Holder will be entitled to receive and will accept, upon the exercise of such right of exchange, or upon the exercise by the Company of the Share Repayment Election in accordance with Section 2.5, at any time after the effective date thereof, in lieu of the number of Variable Voting Shares to which the Holder was theretofore entitled on exchange or on the Redemption Date, Maturity Date or Interest Payment Date, as applicable, the kind and amount of shares or other securities or money or other property that the Holder would have been entitled to receive as a result of such Capital Reorganization, if, on the effective date thereof, the Holder had been the registered holder of the number of such Variable Voting Shares to which the Holder was theretofore entitled upon exchange, subject to adjustment thereafter in accordance with provisions the same, as nearly as may be possible, as those contained in Section 2.5, Section 2.6, this Section 3.4 and Section 3.5, as applicable.

(e) If any issuer bid (other than an issuer bid made through the facilities of the TSX) made by WildBrain for all or any portion of Shares shall expire, then, if the issuer bid shall require the payment to Shareholders of consideration per Share having a Fair Market Value which exceeds the Current Market Price per Share on the last date (the "**Expiration Date**") tenders could have been made pursuant to such issuer bid (as it may be amended) (the last time at which such tenders could have been made on the Expiration Date is hereinafter sometimes called the "**Expiration Time**"), then the Exchange Price will be adjusted effective immediately preceding the opening of business on the day following the Expiration Date so that it shall equal the amount determined by multiplying the Exchange Price in effect immediately preceding the close of business on the Expiration Date by a fraction:

(i) the numerator of which will be the product of the number of Shares outstanding (including Purchased Shares (as defined below) but excluding (without duplication) any Shares held in the treasury of WildBrain or any Subsidiary thereof) at the Expiration Time multiplied by the Current Market Price per Share on the Expiration Date; and

(ii) the denominator of which will be the sum of:

(A) the Fair Market Value of the aggregate consideration payable to Shareholders based on the acceptance (up to any maximum specified in the terms of the issuer bid) of all Shares validly tendered and not withdrawn as of the Expiration Time (the

Shares deemed so accepted, up to any such maximum, being referred to as the "**Purchased Shares**"); and

(B) the product of the number of Shares outstanding (less any Purchased Shares and excluding (without duplication) any Shares held in the treasury of WildBrain or any Subsidiary thereof) at the Expiration Time and the Current Market Price per Share on the Expiration Date.

In the event that WildBrain is obligated to purchase Shares pursuant to any such issuer bid, but to the extent WildBrain is prevented by applicable Law from effecting any or all such purchases or to the extent any or all such purchases are rescinded, the Exchange Price shall again be adjusted to be the Exchange Price which would have been in effect based upon the number of Shares actually purchased, if any. If the application of this Section 3.4(e) to any issuer bid would result in a decrease in the Exchange Price, no adjustment shall be made for such issuer bid under this Section 3.4(e).

For purposes of this Section 3.4(e), the term "issuer bid" shall mean an issuer bid (other than an issuer bid which is exempt from the requirements of Part 2 of NI 62-104) under Securities Legislation or a take-over bid (other than a takeover bid which is exempt from the requirements of Part 2 of the NI 62-104) under Securities Legislation by a Subsidiary of WildBrain for the Shares and all references to "purchases" of Shares in issuer bids (and all similar references) shall mean and include the purchase of Shares in issuer bids and all references to "tendered Shares" (and all similar references) shall mean and include Shares tendered in issuer bids.

(f) If and whenever at any time after the date hereof and prior to the Maturity Date, WildBrain shall fix a record date for the payment of a cash dividend or distribution to the holders of all or substantially all of the outstanding Shares, then the Exchange Price will be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exchange Price in effect on such record date by a fraction:

(i) the numerator of which will be the Current Market Price per Share on such record date minus the amount in cash per Share distributed to holders of Shares; and

(ii) the denominator of which will be the Current Market Price per Share on such record date.

Such adjustment shall be made successively whenever such a record date is fixed. To the extent that any such cash dividend or distribution is not paid, the Exchange Price shall be re-adjusted to the Exchange Price which would then be in effect if such record date had not been fixed.

3.5 Exchange Price Adjustment Rules

The following rules and procedures are applicable to adjustments made pursuant to Section 3.4:

(a) no adjustment of the Exchange Price shall be made if the amount of such adjustment shall be less than 1% of the Exchange Price in effect immediately prior to the event giving rise to the adjustment, provided, however, that in such case any adjustment that would otherwise be required then to be made shall be carried forward and shall be made at the time of and together with the next subsequent adjustment which, together with any adjustment so carried forward, shall amount to at least 1% of the Exchange Price.

(b) any Shares owned by or held for the account of WildBrain or the Company, if any, will be deemed not to be outstanding for the purpose of any computation pursuant to Section 3.4;

(c) in any case in which Section 3.4 shall require that an adjustment become effective immediately after a record date or agreement date for an event referred to herein and if any portion of this Debenture is exchanged after that record date or agreement date and prior to the occurrence of such event, the Company may direct Wildbrain to, until the occurrence of such event, postpone the issuance to the Holder of the additional Shares issuable to the Holder upon such exchange by reason of the adjustment to the Exchange Price required by such event before giving effect to such adjustment provided, however, that the Company shall direct WildBrain to deliver to the Holder an appropriate instrument evidencing the Holder's right to receive such additional Shares upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on the Shares forming part of such additional Shares declared in favour of holders of record of such Shares on and after the Exchange Date or such later date as such Holder would, but for the provisions of this subsection (c), have become the holder of record of such additional Shares pursuant to subsection 3.3(c). For greater certainty, this Section 3.5(c) shall not apply to the issuance of Shares to the Holder on exercise of its Change of Control Redemption Right.

(d) the adjustments provided for in Section 3.4 are cumulative and shall apply to successive subdivisions, re-divisions, reductions, combinations, consolidations, distributions, issues or other events resulting in any adjustment under the provisions of this Section, provided that, notwithstanding any other provision of Section 3.4 or this Section 3.5, no adjustment shall be made which would result in any increase in the Exchange Price (except upon a consolidation or combination of outstanding Shares);

(e) no adjustment in the Exchange Price will be made in respect of any event described in Section 3.4 if the Holder is entitled to participate in such event on the same terms, *mutatis mutandis*, as if the Holder had exchanged the entire

principal amount of this Debenture immediately prior to the effective date or record date of such event, as applicable;

(f) no adjustment in the Exchange Price will be made pursuant to Section 3.4 in respect of the issue of Shares pursuant to:

(i) this Debenture, the Warrant, any Related Debenture or Convertible Securities existing as of the date of the Purchase Agreement; or

(ii) any stock option, purchase plan or other share compensation arrangement for officers, employees or directors of WildBrain or any of its Subsidiaries outstanding or in existence as at the date hereof, as such plans may be replaced, supplemented or further amended from time to time;

(g) if a dispute arises with respect to any adjustment or proposed adjustment in the Exchange Price, such dispute will be conclusively determined by a firm of independent chartered professional accountants as may be selected by the Company and the Holder, and any such determination will be binding upon the Holder and the Company; and

(h) if WildBrain sets a record date to determine holders of Shares for the purpose of entitling them to receive any dividend or distribution or any subscription or purchase rights and will thereafter legally abandon its plans to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the Exchange Price will be required by reason of the setting of such record date.

3.6 Postponement of Issuance of Shares

In any case where the application of Section 3.4 results in a decrease of the Exchange Price taking effect immediately after the record date or agreement date for a specific event, if any portion of this Debenture is exchanged after that record date or agreement date and prior to the occurrence of the event, the Company may direct WildBrain to postpone the issuance to the Holder of the Variable Voting Shares to which the Holder is entitled by reason of the decrease of the Exchange Price, but such Variable Voting Shares will be so issued and delivered to the Holder upon completion of that event with the number of such Variable Voting Shares calculated on the basis of the Exchange Price on the Exchange Date adjusted for completion of that event. The Company shall direct WildBrain deliver to the Holder an appropriate instrument evidencing the Holder's right to receive such Variable Voting Shares. For greater certainty, this Section 3.6 shall not apply to the issuance of Shares to the Holder on exercise of its Change of Control Redemption Right.

3.7 No Requirement to Issue Fractional Shares

The Company will not be required to deliver or cause to be delivered fractional Shares upon the exchange of the principal amount of this Debenture. Any fractional Shares will be rounded

down to the nearest whole number without payment or compensation in lieu thereof. For greater certainty, such rounding shall only occur after aggregating all Shares to be issued upon the exchange of the principal amount of this Debenture.

3.8 Certificate as to Adjustment

The Company will from time to time as soon as practicable after the occurrence of any event which requires an adjustment or re-adjustment in the Exchange Price as provided in Section 3.4, deliver a certificate of the Company to the Holder specifying the nature of the event requiring the same and the amount of the adjustment or readjustment necessitated thereby and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based.

3.9 Notice of Certain Matters

The Company will cause WildBrain to give notice to the Holder of its intention to undertake any event and/or fix a record date (if applicable) for any event described in Section 3.4 that may give rise to an adjustment in the Exchange Price not less than 30 days prior to the earlier of the record date (if applicable) or the effective date of such event, which notice shall include the material terms of such event.

3.10 Legends

(a) Any certificates representing the Variable Voting Shares issued pursuant to the terms of this Debenture will bear the following legend:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDERS OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [INSERT DATE THAT IS 4 MONTHS AND 1 DAY AFTER DISTRIBUTION DATE].

(b) If the holder is a U.S. Person (as defined in Regulation S under the United States Securities Act of 1933) any certificates representing the Variable Voting Shares issued on exchange of the principal under this Debenture will bear the following legend:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO WILDBRAIN LTD. (THE "COMPANY"), (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS UNDER REGULATIONS, (C) IN COMPLIANCE WITH RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS, OR

(D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT IN THE CASE OF TRANSFERS PURSUANT TO (C) OR (D) ABOVE, EITHER A CERTIFICATION TO SUCH EFFECT OR, IF REASONABLY REQUESTED BY THE COMPANY, A LEGAL OPINION REASONABLY SATISFACTORY TO THE COMPANY TO SUCH EFFECT MUST BE FIRST PROVIDED. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA

3.11 Replacement of Debenture

If this Debenture becomes mutilated or lost, stolen or destroyed, the Company will issue to the Holder a new Debenture upon surrender and cancellation of the mutilated Debenture, or, in the case of a lost, stolen or destroyed Debenture, upon the Holder furnishing to the Company such evidence of such loss, theft or destruction as will be satisfactory to the Company, acting reasonably, together with an indemnity in an amount and form satisfactory to the Company, acting reasonably. The Holder will pay all reasonable expenses incidental to the issuance of any such replacement Debenture.

ARTICLE 4
OTHER COVENANTS OF THE COMPANY

4.1 Affirmative Covenants

The Company hereby covenants and agrees with the Holder that, until all Credit Obligations have been repaid in full and this Debenture has either been terminated or the entire principal amount of this Debenture has been fully exchanged for Variable Voting Shares and the accrued interest thereon has been fully paid in cash or Shares, in each case, in accordance with the terms of this Debenture:

(a) **Notices**. The Company shall promptly notify the Holder of the occurrence of any Default or Event of Default, and of the occurrence or existence of any event or circumstance where it is reasonably foreseeable that such event or circumstance will become a Default or Event of Default.

(b) **Prompt Payment**. The Company shall duly and punctually pay or cause to be duly and punctually paid all amounts payable by the Company. The Company shall promptly comply with all obligations to deliver Variable Voting Shares upon a redemption in Section 2.6(b) or an exchange under Section 3.1 and in compliance with Section 3.3 and take all related steps in furtherance of the foregoing.

(c) **Legal Existence**. The Company shall, and shall cause each Subsidiary of the Company to, preserve and maintain its legal existence in good standing and shall qualify and remain duly qualified to carry on business and own property

in each jurisdiction in which failure to maintain such qualification would have a Material Adverse Effect.

(d) **Compliance with Laws**. The Company shall, and shall cause each Subsidiary of the Company to, conduct its business in such a manner so as to comply in all material respects with all applicable Laws:

(e) **Use of Proceeds**. The Company shall apply all of the proceeds of the funds advanced under the Debenture in the manner contemplated by the Purchase Agreement.

(f) **Taxes**. The Company shall, and shall cause each Subsidiary of the Company to, file all material Tax Returns and pay all material Taxes due, levied, assessed or imposed upon or against it or its property or assets or any part thereof, as and when the same become due and payable (save and except when and so long as the validity of any such Taxes is being contested in good faith by appropriate proceedings and adequate reserves shall have been set aside in the books of the Company or such Subsidiary in accordance with IFRS).

(g) **Protect Liens**. At all times take all action and, upon request, supply the Holder with all information on a timely basis necessary to maintain the Holder's first priority perfected security interest in all personal property and assets of the Company (subject to Permitted Liens and the terms of the Pledge and Security Agreements and any Subsequent Security Documents to which it is a party), including those provided for under the Pledge and Security Agreements, the Account Control Agreement and any Subsequent Security Document in effect at such time, and any registrations, filings and recordings in respect thereof and confer upon the Holder the Liens intended to be created hereby and thereby.

(h) **U.S. Tax Status**. The Company shall be classified as a disregarded entity for U.S. federal income tax purposes and shall not file a check-the-box election to be treated as corporation for U.S. federal income tax purposes.

(i) **Place of Management**. The management and control of Company shall not be exercised in Canada.

(j) **Notice of Certain Acquisitions**. If the Company intends to acquire any assets, rights or securities located in a jurisdiction outside of the United States, the Company shall notify the Holder of such proposed acquisition at least ten Business Days prior to the completion of such acquisition. Such notice shall identify the nature of the assets, rights or securities to be acquired and the jurisdiction in which they are located.

4.2 Restrictive Covenants.

The Company hereby covenants and agrees with the Holder that, until all Credit Obligations have been repaid in full and this Debenture has either been terminated or the entire principal amount of this Debenture has been fully exchanged for Variable Voting Shares and the accrued interest thereon has been fully paid in cash or Shares in accordance with its terms:

(a) **Liens**. Neither the Company nor any Subsidiary of the Company shall enter into or grant, create, assume or suffer to exist any Lien affecting any of its property or assets other than Permitted Liens.

(b) **Indebtedness**. Neither the Company nor any Subsidiary of the Company shall incur, assume or otherwise become liable for or otherwise permit to exist any Indebtedness of the Company or any Subsidiary of the Company other than Permitted Indebtedness.

(c) **Dispositions.** Neither the Company nor any Subsidiary of the Company shall sell, transfer or otherwise dispose of any of the collateral pledged pursuant to the Pledge and Security Agreements and the Account Control Agreement other than for fair value; provided, however the Company and its Subsidiaries may only transfer or otherwise dispose of cash as permitted in the Purchase Agreement in connection with the Use of Proceeds.

(d) **Existence**. The Company shall not take part in any consolidation, plan of arrangement, amalgamation, merger, winding-up, dissolution, capital or corporate reorganization or similar proceeding or arrangement, unless (i) the company formed by or surviving any such proceeding or arrangement is a company incorporated under the original jurisdiction of formation, the laws of the United States (such company being herein referred to as the "**Successor Entity**"), (ii) the Successor Entity expressly assumes all the Secured Obligations and all of the Company's obligations under the Exchange Agreement pursuant to an instrument in form and substance satisfactory to the Holder, acting reasonably, (iii) no Default or Event of Default is then existing or would result from the consummation of such proceeding or arrangement; (iv) the provisions of Article 3, as applicable, have been complied with; and (v) the Successor Entity delivers to the Holder an officer's certificate, in form and substance reasonably satisfactory to the Holder, acting reasonably, with respect to the instrument delivered pursuant to clause (ii) above.

(e) **Restricted Payments.** Neither the Company nor any of its Subsidiaries shall declare, pay or make any Restricted Payment; provided however that the Company shall be permitted to make Restricted Payments (i) to its shareholder in any consecutive 12 month period in a maximum amount equal to the aggregate EBITDA generated by the Company and its Subsidiaries during

such 12 month period up to a maximum of $**[2,500,000]**[3] or (ii) that have been approved by the Holder, acting reasonably.

(f) **No Modification of Constating Documents**. Other than in connection with a Change of Control of the Company, neither the Company nor any of its Subsidiaries shall take any action to amend or modify its certificate of formation or limited liability company agreement, articles or by-laws (or any corresponding organizational documents) that would adversely affect the Holder in any material respect.

(g) **Issuance of Additional Equity**. The Company shall not issue additional shares, Equity Securities or other equity interests in the Company or any warrants, options or other rights to acquire any such interests in the Company to any Person other than to WildBrain or to any wholly-owned Subsidiary of WildBrain.

(h) **Subsidiary Equity Interests**. The Company shall direct all of its Subsidiaries to restrict and prohibit the issuance of any shares, Equity Securities or other equity interests in such Subsidiaries or any warrants, options or other rights to acquire any such interests in such Subsidiaries to any Person other than to the Company other than any such issuances made in accordance with pre-emptive rights in favour of minority investors pursuant to the terms of applicable Law, the articles, by-laws or similar constating documents of such Subsidiary or any shareholder agreement, partnership agreement, limited liability company agreement or similar agreement in respect of such subsidiary that existed prior to the date of the Company holding any interest in such Subsidiary. The Company shall not hold any equity interests in its Subsidiaries or any warrants, options or other rights to acquire any such interests in its Subsidiaries other than by way of direct ownership.

ARTICLE 5
TAXATION

5.1 Taxation

(a) Any payment, transfer or distribution by the Company to the Holder hereunder, whether for principal, interest or otherwise and including on an exchange in whole or in part of this Debenture, shall not be subject to any deduction, withholding or offset for any reason whatsoever except to the extent required by applicable Law. Notwithstanding any term or provision of this Debenture to the contrary, if it shall be determined that any payment or distribution by the Company to or for the benefit of the Holder pursuant to the terms of this Debenture, whether for principal, interest or otherwise and

[3] **Note to Draft**: Insert USD equivalent to CAD$2.5 million based on the Bank of Canada Exchange Rate on the date prior to Issuance.

whether paid or payable, distributed or distributable, or actual or deemed (a "**Payment**") would be or is subject to any deduction, withholding or offset due under Part XIII of the *Income Tax Act* (Canada) or any other applicable Law of any jurisdiction (such tax, together with any interest and/or penalties related thereto, hereinafter collectively referred to as the "**Payment Tax**"), then:

(i) the Company shall, in addition to such Payment, pay or credit to or for the benefit of the Holder an additional amount in cash (a "**Gross-Up Payment**") in an amount such that after the Payment Tax on the aggregate of the Payment and the Gross-Up Payment is deducted, withheld or offset by the Company, the Holder receives a net after-tax amount equal to the Payment; and

(ii) the Company shall duly deduct or withhold such Payment Tax on the aggregate of the Payment and the Gross-Up Payment from or against the Gross-Up Payment, shall timely remit such Payment Tax to the applicable governmental authority and shall provide evidence of such remittance to the Holder within ten (10) days of making such remittance.

(b) If the Holder receives a refund of any Payment Tax in respect of which the Company has made a Gross-Up Payment pursuant to Section 5.1(a), the Holder shall pay to the Company an amount equal to such refund (but only to the extent of Gross-Up Payments made by the Company with respect to Payment Taxes giving rise to such refund), without interest (except any interest received by the Holder from the applicable governmental authority) and less any reasonable costs, fees, expenses, damages, losses, taxes or other amounts incurred by the Holder in respect of such refund. This provision shall not be construed to require the Holder to make available any information relating to its taxes that it considers confidential to the Company, to arrange its affairs in any particular manner or, except as provided in the next sentence, to claim any available refund. The Holder shall make commercially reasonable efforts, at the request and expense of the Company, to contest the payment, and seek a refund, of any Payment Tax that the Company reasonably considers to be incorrectly or illegally imposed or asserted, provided that contesting the payment, or seeking a refund, of such Payment Tax shall not relieve the Company from its obligation to make the Gross-Up Payment under Section 5.1(a).

(c) The Holder shall deliver documentation and information to the Company, at the times and in the form required by Law and reasonably requested by the Company, sufficient to permit the Company to determine (i) whether or not payments under this Debenture are subject to taxes, (ii) if applicable, the required rate of withholding or deduction, (iii) the Holder's entitlement to any available exemption from, or reduction of, applicable taxes for such payments or otherwise to establish the Holder's status for withholding tax purposes in

the applicable jurisdiction, and (iv) to demonstrate that payments to the Holder are exempt from any United States withholding tax imposed pursuant to FATCA or to determine the amount to deduct or withhold under FATCA from any payment.

(d) Notwithstanding anything to the contrary in this Article 5, the Company shall not be required to make any Gross-Up Payment (i) on account of FATCA, (ii) on account of back-up withholding tax under the Code, including, without limitation, Section 3406 of the Code; (iii) in the event of an assignment of this Debenture by a Holder, to the extent that the assignee would be entitled to any greater payment than the assignor at the time of the assignment; (iv) to the extent that such payment is attributable to the Holder's failure to comply with Article 5.1(c); and (v) on account of the Holder's change of lending office or residence for tax purposes to the extent that such change would result in the Holder being entitled to an increased payment.

ARTICLE 6
EVENTS OF DEFAULT AND REMEDIES

6.1 Events of Default

The occurrence of any of the following events will constitute an Event of Default under this Debenture:

(a) a breach by the Company of any payment obligation under this Debenture or any Related Debenture;

(b) the commencement of proceedings for the dissolution, liquidation or winding up of any of WildBrain, the Company or any material Subsidiary of the Company or for the suspension of the operations of any of WildBrain, the Company or any material Subsidiary of the Company (provided that, if such proceedings are commenced by another Person, such proceedings shall only constitute an Event of Default if either (i) such proceedings are not being diligently defended, or (ii) such proceedings have not been discharged, vacated or stayed within thirty (30) days after commencement);

(c) WildBrain, the Company or any material Subsidiary of the Company ceases to carry on its business or is adjudged or declared bankrupt or insolvent or admits in writing its inability to pay its debts generally as they become due or makes an assignment for the general benefit of creditors, petitions or applies to any tribunal for the appointment of a receiver or trustee for it or for any part of its property (or such a receiver or trustee is appointed for it or any part of its property), or files a notice of intention to file a proposal, or commences (or any other Person commences) any proceedings relating to it under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or hereafter in effect (provided that, if such proceedings are commenced by another Person, such

proceedings shall only constitute an Event of Default if either (i) such proceedings are not being actively and diligently contested in good faith, or (ii) such proceedings have not been discharged, vacated or stayed within sixty (60) days after commencement), or expressly consents to or approves of any such proceeding for it or for any part of its property, or acquiesces to the appointment of any receiver or trustee, sequestrator or other custodian for it or any such part of its property;

(d) any representation or warranty made by WildBrain or the Company in the Purchase Agreement or any other Transaction Agreement proves to have been incorrect in any material respect (without duplicating any materiality qualification contained in any such representation or warranty) when made or furnished which, if capable of being remedied, has not been remedied within fifteen (15) Business Days after written notice to do so has been given by the Holder to the Company or WildBrain, as applicable;

(e) the breach or failure of due observance or performance by the Company of any provision of Section 4.1 or Section 4.2, provided that, if such breach or default is capable of being cured, such default continues unremedied for a period for fifteen (15) Business Days after the earlier of knowledge by the Company thereof or notice thereof from the Holder;

(f) the breach or failure of due observance or performance by WildBrain or the Company of any covenant or provision hereof or any other covenant or provision of any of the other Transaction Agreements, other than those heretofore or hereafter dealt with specifically in this Section 6.1, or of any other document, agreement or instrument delivered pursuant hereto or thereto which is not remedied within fifteen (15) Business Days after written notice to do so has been given by the Holder to the Company;

(g) any one or more of the Transaction Agreements is determined by a court of competent jurisdiction not to be valid and enforceable by the Holder (except as a result of any the Holder's failure to be a validly existing entity) against WildBrain or the Company, as applicable, and any such document has not been replaced by a valid and enforceable document and equivalent in effect to such document, assuming such document had originally been valid and enforceable, in form and substance acceptable to the Holder, within 30 days of such determination;

(h) WildBrain ceases to be a reporting issuer in good standing in each of the Reporting Jurisdictions, provided that an Event of Default shall not occur for the purposes of this Debenture if WildBrain ceases to remain a reporting issuer in good standing due to any merger, amalgamation, arrangement, take-over bid, going private transaction or other similar transaction involving the purchase or sale of all of the outstanding Shares;

(i) one or more material judgments or decrees shall be entered against the Company, any of its material Subsidiaries or WildBrain and all of such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within thirty (30) days from the entry thereof;

(j) the Holder shall for any reason, except as a result of the acts or omissions of the Holder, cease to have a valid and perfected first priority security interest in the collateral pledged under the Pledge and Security Agreements and the Account Control Agreement free and clear of all Adverse Claims (as defined in the Purchase Agreement); or

(k) any event occurs or series of events occur (including a change to any applicable Laws) which individually or together has a Material Adverse Effect;

If an Event of Default occurs, the entire unpaid principal amount of this Debenture outstanding at that time plus all accrued and unpaid interest and any other monetary amounts outstanding under this Debenture will be accelerated, and will become immediately due and payable at the option of the Holder (upon written notice by the Holder to the Company); provided, however, in the case of the Events of Default described in subsection 6.1(i), one or more material judgments or decrees against WildBrain (i) shall not trigger acceleration of the unpaid principal amount of this Debenture pursuant to the terms of this Section 6.1, (ii) shall not prevent the Company from exercising its redemption right pursuant to Section 2.4, provided that the Company may not exercise its Share Repayment Election in connection with such redemption so long as such Event of Default is continuing. On the occurrence and during the continuation of an Event of Default, the Holder may continue to exercise its right of exchange set out in Article 3 in respect of all or any portion of the outstanding principal amount of this Debenture.

ARTICLE 7
GENERAL

7.1 Waiver

No act or omission by the Holder in any manner whatever will extend to or be taken to affect any provision hereof or any subsequent breach or default or the rights resulting therefrom save and except for an express waiver in writing and any consent or waiver granted in accordance with Section 7.2. A waiver of default will not extend to, or be taken in any manner whatsoever to affect the rights of the Holder with respect to, any subsequent default, whether similar or not. The Company waives every defence based upon any or all indulgences that may be granted by the Holder.

7.2 Consent

Where a provision of this Debenture requires an approval or consent by a party to this Debenture and written notification of such approval or consent is not delivered within the applicable time in accordance with this Debenture, then the party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

7.3 No Merger or Novation

Neither the taking of any judgment nor the exercise of any power of seizure or sale will operate to extinguish the liability of the Company to pay the monies owed hereunder nor will the same operate as a merger of any covenant herein contained or of any other obligation, nor will the acceptance of any payment or other security constitute or create any novation.

7.4 Holder May Remedy Default

If the Company fails to do anything hereby required to be done by it, the Holder may, but will not be obliged to, do such thing and all reasonable sums thereby expended by the Holder will be payable forthwith by the Company, but no such performance by the Holder will be deemed to relieve the Company from any default hereunder.

7.5 Notices

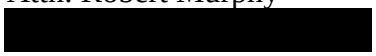
Any notice or other communication that is required or permitted to be given hereunder shall be in writing and shall be validly given if delivered in person (including by courier service) or transmitted by electronic transmission (including email) to such party, as follows:

(a) to the Holder at:

Attn: Jonathan Whitcher

with a copy to

Attn: Robert Murphy



(b) to the Company at:

[redacted]

Attn.: Aaron Ames
[redacted]

with a copy to

[redacted]

Attn: Michael Partridge
[redacted]

Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. at the place of receipt, then on the next following Business Day). Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 7.5.

7.6 Severability

If any provision of this Debenture is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Debenture shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby are not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Debenture so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

7.7 Adjustment of Interest

Notwithstanding any provision to the contrary contained in this Debenture, in no event will the aggregate "interest" (as defined in Section 347 of the *Criminal Code* (Canada)) payable under this Debenture exceed the effective annual rate of interest on the "credit advanced" (as defined in that section) under this Debenture lawfully permitted under that section and, if any payment, collection or demand pursuant to this Debenture in respect of "interest" (as defined in that section) is determined to be contrary to the provision of that section, such payment, collection or demand will be deemed to have been made by mutual mistake of the Company and the Holder and the amount of such payment or collection will be refunded to the Company; for purposes of this Debenture the effective annual rate of interest will be determined in accordance with generally accepted actuarial practices and principles over the term of this Debenture on the basis of annual compounding of the lawfully permitted rate of interest and, in the event of

a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Holder will be conclusive for the purposes of such determination, in the absence of evidence to the contrary.

7.8 Assignment

Neither party may assign any rights and benefits or obligations under this Debenture without the prior written consent of the other party, except that the Holder may assign this Debenture or any of its rights and benefits or obligations under this Debenture, in whole or in part, without the Company's prior written consent to any investment fund managed by Fine Capital Partners, L.P. or to any other Affiliates of Fine Capital Partners, L.P.

7.9 Enurement

This Debenture and all its provisions enures to the benefit of the Holder, its successors and permitted assigns and will be binding upon the Company, its successors and permitted assigns. Presentment, notice of dishonour, protest and notice of protest hereof are hereby waived.

7.10 Amendments

This Debenture may only be amended by a written agreement of the Company, on the one hand, and the Holder, on the other hand.

7.11 Further Assurances

Each party shall do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Debenture, and each party shall provide such further documents or instruments as reasonably required by any other party as necessary or desirable to effect the purpose of this Debenture and carry out its provisions. Without limiting the generality of the foregoing, the Company will, to the extent it is required to do so pursuant to the terms of the Transaction Agreements, from time to time duly authorize, execute and deliver to the Holder such further instruments and documents and take such further action as the Holder may reasonably request in accordance with Section 2.8. The Company shall renew such registrations, filings and recordings from time to time as and when required to keep them in full force and effect.

7.12 Governing Law and Jurisdiction for Disputes

This Debenture shall be governed by and construed in accordance with the applicable Laws of the Province of Ontario and the federal laws of Canada applicable therein and shall be treated, in all respects, as an Ontario contract. Each of the parties irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Ontario, the courts of the State of New York, or the United State Courts located in the Borough of Manhattan in New York City over any action or proceeding arising out of or relating to this Debenture.

7.13 Entire Agreement

This Debenture and the other Transaction Agreements constitute the entire agreement between the parties to this Debenture pertaining to the subject matter of this Debenture and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties with respect to the subject matter of this Debenture (other than the Transaction Agreements) (including, for greater certainty, the binding term sheet dated May 13, 2020 between the WildBrain and Fine Capital Partners, L.P.).

7.14 Patriot Act

The Company acknowledges and agrees that pursuant to the provisions of the USA Patriot Act (Title III of the Pub. L. 107-56) signed into law October 26, 2001 (the "Patriot Act"), the Holder may be required to obtain, verify and record information with respect to the Company; and the Company hereby agrees to cooperate with the Holder and provide the Holder with all information that may be required in order to fulfil its obligations under the Patriot Act.

7.15 Counterparts and Delivery

This Debenture and all documents contemplated by or delivered under or in connection with this Debenture may be executed and delivered in any number of counterparts (whether by facsimile, email, or other electronic means), with the same effect as if all parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement.

[Signature page follows]

IN WITNESS WHEREOF the parties have executed this Debenture.

WILDBRAIN HOLDINGS LLC,
as the Company

Per: _____
Name:
Title:

Per: _____
Name:
Title:

[Holder Signature on Following Page]

●,
as the Holder

Per: _____
Name:
Title:

Per: _____
Name:
Title:

EXHIBIT A
MATURITY NOTICE

TO: [●] (the "Holder")
AND TO: WildBrain Ltd. ("WildBrain")

Note: All capitalized terms used herein have the meaning ascribed thereto in the Debenture(s) mentioned below, unless otherwise indicated.

Notice is hereby given pursuant to Section 2.3(b) of the Debenture(s) dated as of **[●]**, 2020, (the "**Debenture(s)**") made between WildBrain Holdings LLC (the "**Company**") and the Holder, that the Debentures will become due and payable as of **[●]** (the "**Maturity Date**").

Pursuant to Section 2.3(b) of the Debenture(s), the Company hereby advises the Holder and WildBrain and instructs WildBrain to deliver to the Holder that number of Variable Voting Shares equal to (A) **[●]** representing [●]% of the principal amount of the Debenture(s) on the Maturity Date that the Company wishes to satisfy pursuant to the Share Repayment Election divided by (B) **[●],** representing an amount equal to 95% of the Current Market Price on the Maturity Date.

Upon presentation and surrender of the Debentures for payment on the Maturity Date, the Company shall, on the Maturity Date, cause to be delivered to the Holders, a certificate (or, if available and requested by the Holder, a direct registration system advice evidencing a non-certificated registered position) representing the Variable Voting Shares to which the Holder is entitled, together with a cheque or wire transfer representing the accrued and unpaid interest and the principal amount of Debentures being repaid in cash, if any.

DATED the _____ day of _____, 20___.

WILDBRAIN HOLDINGS LLC

Per: _____
Name: ●
Title: ●

EXHIBIT B
REDEMPTION NOTICE

TO: [●] (the "Holder")
AND TO: WildBrain Ltd. ("WildBrain")

Note: All capitalized terms used herein have the meaning ascribed thereto in the Debenture(s) mentioned below, unless otherwise indicated.

Notice is hereby given pursuant to Section 2.4(a) of the Debenture(s) dated as of **[●]**, 2020, (the "**Debenture(s)**") made between WildBrain Holdings LLC (the "**Company**") and the Holder, that $**[●]** principal amount of the Debenture(s), representing **[●]%** of the principal amount of the Debenture(s) outstanding will be redeemed as of **[●]** (the "**Redemption Date**"), upon payment of a redemption amount of $**[●]** being equal to **[●]**% of the outstanding principal amount of the Debenture(s), plus all accrued and unpaid interest thereon up to but excluding the Redemption Date (the "**Redemption Price**").

The Redemption Price will be payable upon presentation and surrender of the Debentures called for redemption to the Company:

The interest upon the principal amount of Debentures called for redemption shall cease to be payable from and after the Redemption Date, unless payment of the Redemption Price shall not be made on presentation for surrender of such Debentures to the Company.

[If payment of the Redemption Price is made in Variable Voting Shares:]

[Pursuant to section 2.5(c) of the Debenture(s), the Company hereby irrevocably elects to satisfy its obligation to pay to the Holder $[●] of the Redemption Price by causing WildBrain to issue and deliver to the Holders that number of Variable Voting Shares obtained by dividing (i) [●] by (ii) 95% of the Current Market Price on the Redemption Date.

Upon presentation and surrender of the Debenture(s) for payment on the Redemption Date, the Company shall, on the Redemption Date, deliver or cause to be delivered to the Holders, a certificate (or, if available and requested by the Holder, a direct registration system advice evidencing a non-certificated registered position) representing the Variable Voting Shares to which the Holder is entitled, together with a cheque or wire transfer representing the accrued and unpaid interest and the principal amount of the Debenture(s) being repaid in cash, if any and a certificate representing the principal amount of the Debenture(s) not being redeemed, if any.]

DATED the _____ day of _____, 20___.

WILDBRAIN HOLDINGS LLC

Per: _____
Name: ●
Title: ●

EXHIBIT C
NOTICE OF EXCHANGE

TO: WildBrain Holdings LLC (the "Company")
AND TO: WildBrain Ltd. ("WildBrain")

The undersigned holder (the "**Holder**") of the attached Secured Exchangeable Debenture (the "**Debenture**") hereby irrevocably elects to exchange $ _____ of the outstanding principal amount thereof into _____ Variable Voting Shares of WildBrain pursuant to the terms of the Debenture at the Exchange Price and on the other terms specified in the Debenture. The capitalized terms used but not otherwise defined herein have the meanings given in the Debenture.

The Holder irrevocably directs that such Variable Voting Shares and all the securities comprising such Variable Voting Shares be issued in the name of the Holder and be delivered to the Holder at the address set out below:

_____
Street

_____
City Province / State

_____
Postal / ZIP Code

_____
Attention

_____
Phone Number / Fax Number

_____
E-mail

Or, if requested by the Holder, the direct registration system advice evidencing a non-certificated registered position as set out below:

Name and Address of Registered Holder	**Beneficial Holder/ Deposit ID #**	**CDS Participant Name**	**CDS FINS Number / CUID**	**CDS Participant Contact**

DATED the _____ day of _____, 20___.

● **[Name of Holder]**

Per: _____
Name: ●
Title: ●

7060615

EXHIBIT B

EXCHANGE AGREEMENT

See attached.

EXCHANGE AND SUPPORT AGREEMENT

WILDBRAIN LTD.

and

WILDBRAIN HOLDINGS LLC

and

ADOM PARTNERS, L.P.

And

DEKEL PARTNERS, L.P.

June 24, 2020

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EXCHANGE AND SUPPORT AGREEMENT

THIS AGREEMENT made the 24th day of June, 2020,

BETWEEN:

ADOM PARTNERS, L.P., a limited partnership existing under the laws of the State of Delaware,

(hereinafter referred to as "**Adom**")

- and –

DEKEL PARTNERS, L.P., a limited partnership existing under the laws of the State of Delaware,

(hereinafter referred to as "**Dekel**" and together with Adom, the "**Initial Holders**"),

- and -

WILDBRAIN LTD., a corporation existing under the federal laws of Canada,

(hereinafter referred to as the "**Parent**"),

- and -

WILDBRAIN HOLDINGS LLC,

(hereinafter referred to as the "**Issuer**").

WHEREAS the Parent, the Issuer and the Initial Holders have entered into a securities purchase agreement dated as of June 24, 2020 (the "**Purchase Agreement**") pursuant to which the Initial Holders subscribed for the Debentures and the Warrants;

AND WHEREAS the Parent and the Issuer have agreed to enter into this Agreement so as to recognize and provide for, inter alia, the right of the Holders to acquire Variable Voting Shares (as defined herein) upon maturity, exchange or redemption of the Debentures or in satisfaction of accrued an unpaid interest thereon, all in accordance with the terms and conditions set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Defined Terms

For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Purchase Agreement and the Debentures, as the context so requires.

"**Debentures**" has the meaning given to that term in the Purchase Agreement;

"**Exchange Event**" means a Holder Exchange Event or an Issuer Exchange Event;

"**Exchange Right**" has the meaning given to that term in Section 2.1(a);

"**Holder**" means an Initial Holder or a Subsequent Holder;

"**Holder Exchange Event**" means the election by a Holder at any time and from time to time to exchange all or any portion of the outstanding principal amount of the Debentures for Variable Voting Shares or to redeem all or any portion of the outstanding principal amount of the Debentures for Variable Voting Shares upon a Change of Control, in each case in accordance with the terms of the Debentures;

"**Holder Exchange Notice**" means a Notice of Exchange or a notice given to the Issuer and the Parent upon a Change of Control in accordance with Section 2.6 of the Debentures;

"**Initial Debentures**" has the meaning given to the term in the Purchase Agreement;

"**Initial Holder**" has the meaning given to that term in the recitals hereto;

"**Issuance Date**" means the Maturity Date, Redemption Date, Interest Payment Date, Exchange Date or Change of Control Payment Date, as applicable;

"**Issuer**" has the meaning given to that term in the recitals hereto;

"**Issuer Exchange Event**" means (i) the election by the Issuer at the Maturity Date to satisfy its obligation to repay the outstanding principal amount of the Debentures by delivery of Variable Voting Shares, (ii) the election by the Issuer at an Interest Payment Date to satisfy its obligations to pay the accrued and unpaid interest on the outstanding principal amount of the Debentures by delivery of Variable Voting Shares, or (iii) the election by the Issuer to redeem all or any portion of the outstanding principal amount of the Debentures by delivery of Variable Voting Shares, in each case in accordance with the terms of the Debentures;

"**Issuer Exchange Notice**" means a Maturity Notice, Redemption Notice or Share Interest Payment Election Notice;

"**Parent**" has the meaning given to that term in the recitals hereto;

"**Purchase Agreement**" has the meaning given to that term in the recitals hereto; and

"**Subsequent Holder**" means any investment fund managed by Fine Capital Partners, L.P. or any other Affiliate of Fine Capital Partners, L.P. that holds Debentures, other than an Initial Holder.

1.2 Rules of Construction

Except as may be otherwise specifically provided in this Agreement and unless the context otherwise requires, in this Agreement:

(a) the terms "Agreement", "this Agreement", "the Agreement" , "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof and include any schedules or exhibits thereto;

(b) references to an "Article" or "Section" followed by a number or letter refer to the specified Article or Section to this Agreement;

(c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;

(d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;

(e) the word "including" is deemed to mean "including without limitation";

(f) the terms "party" and "the parties" refer to a party or the parties to this Agreement;

(g) any reference to any agreement (including this Agreement) means such Agreement as amended, modified, replaced or supplemented from time to time;

(h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;

(i) unless otherwise indicated, all dollar amounts refer to currency of the United States;

(j) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and

(k) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the next following Business Day.

1.3 Time of Essence

Time shall be of the essence of this Agreement.

1.4 Governing Law and Submission to Jurisdiction

(a) This Agreement shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Ontario and the federal laws of Canada applicable in that province.

(b) Each of the parties irrevocably and unconditionally (i) submits to the non-exclusive jurisdiction of the courts of the Province of Ontario, the courts of the State of New York, or the United States Courts located in the Borough of Manhattan in New York City over any action or proceeding arising out of or relating to this Agreement, (ii) waives any objection that it might otherwise be entitled to assert to the jurisdiction of such courts and (iii) agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.

1.5 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

1.6 Divisions

For all purposes under the Transaction Agreements, in connection with any division or plan of division under applicable law: (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

1.7 Conflicts/Inconsistencies

In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of the Debentures (as such term is defined in the Purchase Agreement) then, notwithstanding anything contained in this Agreement, the provisions contained in the Debentures (as such term is defined in the Purchase Agreement) shall prevail to the extent of such conflict or inconsistency, and the provisions of this Agreement will be deemed to be amended to the extent necessary to eliminate such conflict.

ARTICLE 2
EXCHANGE PROCEDURES

2.1 Exchange Right

(a) Upon the occurrence of an Exchange Event, subject to Section 2.1(b), the Parent hereby agrees to issue to each Holder as long as (i) the Holder is an "accredited investor" as defined in Rule 501 under the U.S. Securities Act or the issuance of Variable Voting Shares to the Holder does not otherwise require registration under the U.S. Securities Act, and (ii) is an "accredited investor" as defined in Section 1.1 of NI 45-106 or the issuance of Variable Voting Shares to the Holder is otherwise exempt from the prospectus requirements under Securities Laws, such number of fully paid and non-assessable Variable Voting Shares as shall be issued upon the occurrence of an Exchange Event, in accordance with the terms of the Debentures and the terms hereof, on the applicable Issuance Date (the "**Exchange Right**").

(b) Unless otherwise specified in the Debentures, the Exchange Right shall at all times be subject to the Regulatory Cap and, prior to the Parent obtaining Shareholder Approval, the Exchange Cap.

2.2 Exchange Notice

Subject to the limitations set forth in Section 2.1(b) and in accordance with the terms of the Debentures:

(a) upon the occurrence of an Issuer Exchange Event, the Issuer shall deliver an Issuer Exchange Notice to the applicable Holder and to the Parent in accordance with the notice provisions in Section 4.1; and

(b) upon the occurrence of a Holder Exchange Event, the applicable Holder shall deliver a Holder Exchange Notice to the Issuer and to the Parent in accordance with the notice provisions in Section 4.1.

In connection with the delivery of an Issuer Exchange Notice or a Holder Exchange Notice by the Issuer or a Holder, as applicable, the applicable Holder shall deliver to the Parent a certificate with a representation from such Holder providing that (i) either (A) the Holder is an "accredited investor" as defined in Rule 501 under the U.S. Securities Act or (B) the issuance of Variable Voting Shares to such Holder does not otherwise require registration under the U.S. Securities Act and (ii) either (A) the Holder is an "accredited investor" as defined in Section 1.1 of NI 45-106 or (B) the issuance of Variable Voting Shares to the Holder is otherwise exempt from the prospectus requirements under Securities Laws.

2.3 Exchange Procedure

(a) Upon delivery of an Issuer Exchange Notice, but subject to delivery by the Holder of a Holder Exchange Notice with an Issuance Date preceding the Issuance Date

set out in the Issuer Exchange Notice (in which case the issuance will be governed by Section 2.3(b)), the Parent shall, on the Issuance Date specified in such Issuer Exchange Notice and upon presentation and surrender of any applicable Debentures to the Issuer in the event of the redemption of such Debentures or on the Maturity Date, deliver or cause to be delivered to the applicable Holder, a certificate (or, if available and requested by the applicable Holder, a direct registration system advice evidencing a non-certificated registered position) representing the Variable Voting Shares to which the Holder is entitled pursuant to such Issuer Exchange Notice.

(b) Upon delivery of a Holder Exchange Notice, the Parent shall, on the Issuance Date and upon presentation and surrender of any applicable Debentures to the Issuer in the event of the redemption of such Debentures, deliver or cause to be delivered to the applicable Holder, a certificate (or, if available and requested by the applicable Holder, a direct registration system advice evidencing a non-certificated registered position) representing the Variable Voting Shares to which the Holder is entitled pursuant to such Holder Exchange Notice.

(c) The Parent agrees that the applicable Holder shall be treated as the shareholder of record of the Variable Voting Shares issued pursuant to the Exchange Right immediately after the close of business on the applicable Issuance Date, and shall be entitled to all substitutions therefor, all income earned thereon or accretions thereto and all dividends or distributions (including stock dividends and dividends or distributions in kind) thereon and arising thereafter.

(d) If a fraction of a Variable Voting Share would otherwise be due on such Exchange Event, the Parent shall round down to the nearest whole Variable Voting Share.

2.4 Postponement of Issuance of Shares

(a) In any case in which an adjustment required by Section 3.4 of the Debentures shall become effective immediately after a record date or agreement date for such adjustment, and if any portion of the Debentures are exchanged after that record date or agreement date and prior to the occurrence of such event, the Parent will if the Issuer so directs, until the occurrence of such event, postpone the issuance to the applicable Holder of the additional Variable Voting Shares issuable to such Holder upon such exchange by reason of the adjustment to the Exchange Price required by such event before giving effect to such adjustment provided, however, that the Parent, upon such direction by the Issuer, shall deliver to such Holder an appropriate instrument evidencing the Holder's right to receive such additional Variable Voting Shares upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on the Variable Voting Shares forming part of such additional Variable Voting Shares declared in favour of holders of record of such Variable Voting Shares on and after the Exchange Date or such later date as such Holder would, but for the provisions of this Section 2.4(a), have become the holder of record of such additional Variable Voting Shares pursuant to subsection 3.3(c) of the Debentures. For greater certainty, this Section

2.4(a) shall not apply to the issuance of Variable Voting Shares to a Holder on exercise of its Change of Control Redemption Right.

(b) In any case where the application of Section 3.4 of the Debentures results in a decrease of the Exchange Price taking effect immediately after the record date or agreement date for a specific event, if any portion of the Debentures is exchanged after that record date or agreement date and prior to the occurrence of the event, the Issuer may direct the Parent to postpone the issuance to the applicable Holder of the Variable Voting Shares to which such Holder is entitled by reason of the decrease of the Exchange Price, but such Variable Voting Shares will be so issued and delivered to the Holder upon completion of that event with the number of such Variable Voting Shares calculated on the basis of the Exchange Price on the Exchange Date adjusted for completion of that event. The Parent, upon such direction by the Issuer, shall deliver to the Holder an appropriate instrument evidencing the Holder's right to receive such Variable Voting Shares. For greater certainty, this Section 2.4(b) shall not apply to the issuance of Shares to the Holder on exercise of its Change of Control Redemption Right.

ARTICLE 3
REPRESENTATIONS AND COVENANTS OF THE PARENT

3.1 Representations and Covenants of the Parent

The Parent hereby covenants and agrees with the Holders, until all Credit Obligations have been repaid in full and the Initial Debentures and any Subsequent Debentures have either been terminated or the entire principal amount of the Initial Debenture and any Subsequent Debentures have been fully exchanged into Variable Voting Shares and the accrued interest thereon has been fully paid in cash or Shares in accordance with their terms and the Warrants have expired or been exercised in full in accordance with its terms as follows:

(a) **Reporting Issuer.** The Parent shall use its commercially reasonable efforts to maintain its status as a "reporting issuer" in each of the provinces of Canada unless the Parent is acquired pursuant to a take-over bid, amalgamation, arrangement or other similar transaction and the Parent shall comply with all applicable Securities Laws.

(b) **TSX Listing.** The Parent shall use its commercially reasonably efforts to not take any action which would reasonably be expected to result in the delisting or suspension of the Shares on or from any securities exchange, market or trading or quotation facility on which the Shares are now or are then listed or quoted, including without limitation the TSX, unless (i) the Shares are, at the time of such delisting or suspension, listed or posted for trading on another nationally recognized stock exchange or market in Canada, the United States or the United Kingdom, or (ii) the Parent is acquired pursuant to a take-over bid, amalgamation, arrangement or other similar transaction and the Parent shall comply with the rules and regulations thereof.

(c) **Reservation of Sufficient Shares.** The Parent shall reserve for issuance and will, at all times while any Debentures are outstanding, keep available, free from pre-emptive and other rights granted by the Parent, such number of Variable Voting Shares as are deliverable upon an Exchange Event of the Debentures or the exercise of the Warrant, as applicable, pursuant to the terms of the Transaction Agreements.

(d) **Change of Control.** The Parent shall notify the Holders in the event of a Change of Control as soon as practicable after the occurrence thereof and shall notify the Holder of the Change of Control Effective Date on or before the 20th Business Day prior to the Change of Control Effective Date to allow the Holders to deliver a written redemption notice to the Parent or to the Issuer should the Holders decide to exercise its right to require the Issuer to redeem the Debentures in accordance with the terms therein.

(e) **Notices**. The Parent shall promptly notify the Holders of the occurrence of any Event of Default, and of the occurrence or existence of any event or circumstance where it is reasonably foreseeable that such event or circumstance will become a Default or an Event of Default (as such terms are defined in the Debentures) with respect to any occurrences or events relating to the Parent.

(f) **Legal Existence.** The Parent shall, and shall cause each Subsidiary of the Parent to, preserve and maintain its legal existence in good standing and shall qualify and remain duly qualified to carry on business and own property in each jurisdiction in which it carries on business or owns property if a failure to do so would have a Material Adverse Effect.

(g) **Compliance with Laws**. The Parent shall, and shall cause each Subsidiary (as defined in the Debentures) of the Parent to, conduct its business in such a manner so as to comply in all material respects with all applicable Laws (as defined in the Debentures).

(h) **Information Rights**. If the Parent is not required to file with the Securities Commissions or the TSX (or any other stock exchange on which the Shares are then listed and/or traded) interim financial statements, management discussions and analyses, annual information forms, management information circulars, annual reports, and similar filings pursuant to applicable securities law, the Parent shall furnish to the Holders (a) unaudited financial statements of the Parent within 60 days after the end of each of the Parent's fiscal quarters (except year-end), and (b) audited financial statements of the Parent within 90 days after the Parent's fiscal year-end.

(i) **Support Obligations**. The Parent covenants and agrees with the Holders that, for so long as any Debentures remain outstanding:

(i) it will, upon the receipt of an Exchange Notice from the Issuer or the Holder, as the case may be, cause the issuance and delivery to the Holder of such

number of Variable Voting Shares necessary to satisfy the Issuer's obligations upon an Exchange Event pursuant to the terms of the Purchase Agreement and the Debentures, and in accordance with the terms hereof, and any Variable Voting Shares deliverable upon an Exchange Event will be duly authorized and validly issued as fully paid and non-assessable, free and clear of any liens, claims, rights or encumbrances, other than those arising under law as a result of the Holder thereof;

(ii) it will remain as the sole direct or sole indirect beneficial owner of all the outstanding shares or other equity securities of the Issuer or any warrants, options or other rights to acquire any such equity interests of the Issuer;

(iii) it will use commercially reasonable efforts to remain a reporting issuer in good standing in each in each of the Reporting Jurisdictions, other than in connection with a Change of Control; and

(iv) it will use commercially reasonable efforts to maintain the listing of the Variable Voting Shares on the TSX or another stock exchange, other than in connection with a Change of Control.

ARTICLE 4
MISCELLANEOUS

4.1 Notices

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

(i) in the case of the Parent or the Issuer:

[redacted]

Attn.: Aaron Ames
[redacted]

with a copy to

[redacted]

Attn: Michael Partridge
[redacted]

(ii) in the case of the Holders:

[redacted]

Attn: Jonathan Whitcher
[redacted]

with a copy to

[redacted]

Attn: Robert Murphy
[redacted]

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) at the place of receipt, then on the next following Business Day) or, if mailed, on the third Business Day following the date of mailing; provided, however, that if at the time of mailing or within three Business Days thereafter there is or occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.

(c) Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 4.1.

4.2 Amendments and Waivers

No amendment or waiver of any provision of this Agreement shall be binding on any party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

4.3 Successor

The Parent shall not effect a Capital Reorganization (as defined in the Debentures) unless, as applicable, (i) the resulting Person or continuing corporation (herein called the "**Parent Successor**"), by operation of law, shall become bound by the terms and provisions of this Agreement, (ii) if not so bound, the Parent Successor shall execute, prior to or contemporaneously with the consummation of such transaction, an agreement supplemental hereto and such other instruments (if any) to evidence the assumption by the Parent Successor of the obligations of the Parent under this Agreement, or (iii) the parties amend this Agreement, as reasonably necessary, in order that this Agreement shall apply with full force and effect, mutatis mutandis, to all new securities into which Variable Voting Shares are changed as a result of such Capital Reorganization.

4.4 Assignment

Neither party may assign any rights and benefits or obligations under this Agreement without the prior written consent of the other party, except that the Holder may assign this Agreement or any of its rights and benefits or obligations under this Agreement, in whole or in part, without the Parent's or the Issuer's prior written consent to any investment fund managed by Fine Capital Partners, L.P. or to any other Affiliates of Fine Capital Partners, L.P.

4.5 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by and against the parties and their respective successors or heirs, executors, administrators and other legal personal representatives, and permitted assigns.

4.6 Debenture Holders

Notwithstanding anything to the contrary in this Agreement, any Subsequent Holder shall be an express third party beneficiary of the Initial Holder's rights under this Agreement and shall be deemed to be a Holder for the purposes of this Agreement and entitled to enforce any rights of a Holder and shall be subject to the corresponding obligations of a Holder under this Agreement, *mutatis mutandis*.

4.7 Further Assurances

Each of the parties hereto shall, from time to time hereafter and upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things as may be required or necessary for the purposes of giving effect to this Agreement.

4.8 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts, with the same effect as

if all parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement.

4.9 Entire Agreement

This Agreement constitutes the entire agreement between the parties to this Agreement pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties with respect to the subject matter of this Agreement (including, for greater certainty, the binding term sheet dated May 13, 2020 between the Parent and Fine Capital Partners L.P.)

[The remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF this Agreement has been executed by the parties.

WILDBRAIN LTD.

Per: _____
Name:
Title:

WILDBRAIN HOLDINGS LLC

Per: _____
Name:
Title:

ADOM PARTNERS, L.P., by its general partner, **FINE CAPITAL MANAGEMENT, L.L.C.**

By: _____
Name:
Title:

DEKEL PARTNERS, L.P., by its general partner, **FINE CAPITAL MANAGEMENT, L.L.C.**

By: _____
Name:
Title:

EXHIBIT C

PLEDGE AND SECURITY AGREEMENT

See attached.

Execution Version

PLEDGE AND SECURITY AGREEMENT

between

WILDBRAIN HOLDINGS LLC,
as Issuer

and

[●],
as Investor

Dated as of June 24, 2020

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SCHEDULES:

EXHIBITS:

PLEDGE AND SECURITY AGREEMENT, dated as of June 24, 2020 (as amended, restated, supplemented or otherwise modified, this "Agreement"), between WILDBRAIN HOLDINGS LLC, a Delaware limited liability company (the "Issuer") and **[●]**, a Delaware limited partnership (the "Investor").

RECITALS

A. Reference is made to the Securities Purchase Agreement, dated as of June 24, 2020, among the Issuer**,** WildBrain Ltd., a Canadian corporation (the "Parent") and the Investor and **[●]**, as investors (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Securities Purchase Agreement").

B. The Investor has agreed to purchase secured exchangeable debentures issued or to be issued by the Issuer (the "Debentures"; each a "Debenture") pursuant to, and upon the terms and subject to the conditions specified in, the Securities Purchase Agreement.

D. The execution and delivery by the Issuer of this Agreement is a condition precedent to the effectiveness of the Securities Purchase Agreement and the purchase of the Debentures, and the Investor would not have entered into the Securities Purchase Agreement or agreed to purchase the Debentures if the Issuer had not executed and delivered this Agreement.

Accordingly, the parties hereto agree as follows:

ARTICLE 1

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Uniform Commercial Code Terms and Provisions. Unless otherwise defined herein or in the Securities Purchase Agreement, capitalized terms used herein that are defined in the Uniform Commercial Code (as defined below) have the meanings assigned to them in the Uniform Commercial Code, including the following: "Accession"; "Account"; "Chattel Paper"; "Certificated Security"; "Commodity Account"; "Commodity Contract"; "Deposit Account"; "Document"; "Equipment"; "Fixture"; "General Intangible"; "Goods"; "Instrument"; "Inventory"; "Investment Property"; "Letter of Credit Right"; "Money"; "Proceeds"; "Promissory Note"; "Record"; "Securities Account"; "Security"; "Security Certificate"; "Supporting Obligations"; and "Uncertificated Security". All references herein to provisions of the Uniform Commercial Code shall include all successor provisions under any subsequent version or amendment to any Article of the Uniform Commercial Code. In the event that a term is defined in Article 9 of the Uniform Commercial Code differently than in another Article of the Uniform Commercial Code, such term will have the meaning specified in Article 9 of the Uniform Commercial Code.

Section 1.2 Other Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"Account Debtor" means each Person who is or may become obligated to the Issuer in respect of any Receivable or any Supporting Obligation or Collateral Support relating thereto.

"Acknowledgment of Issuers of Certain Pledged Equity Interests" means an Acknowledgment of Issuers of Certain Pledged Equity Interests substantially in the form of Exhibit D.

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. For purposes hereof, "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings analogous thereto.

"Applicable Filing Office" means the office of the Secretary of State of the State of Delaware, UCC Division.

"Authorization" means, collectively, any license, approval, permit or other authorization issued by any Governmental Authority.

"Bankruptcy Code" means Title 11 of the United State Code or any similar federal or state law for the relief of debtors.

"Business Day" means any day other than a Saturday, Sunday or day on which banks in Toronto, Ontario, Canada, Halifax, Nova Scotia, Canada or New York City, New York are authorized or required by law to close.

"CFC" means a controlled foreign corporation within the meaning of Section 957(a) of the Internal Revenue Code of 1986, and the rules and regulations issued thereunder.

"Claim Proceeds" means, with respect to any Commercial Tort Claim or any Collateral Support or Supporting Obligation relating thereto, all Proceeds thereof, including all insurance proceeds and other amounts and recoveries resulting or arising from the settlement or other resolution thereof, in each case regardless of whether characterized as a "commercial tort claim" under Article 9 of the Uniform Commercial Code or "proceeds" under the Uniform Commercial Code.

"Collateral" has the meaning assigned to such term in Section 2.1.

"Collateral Records" means all books, instruments, certificates, Records, ledger cards, files, correspondence, customer lists, blueprints, models, drawings, technical specifications, manuals, warranties and other documents, and all computer software, computer printouts, tapes, disks and related data processing software and similar items, in each case that at any time represent, cover or otherwise evidence, or contain information relating to, any of the Collateral or are otherwise necessary or helpful in the collection thereof or realization thereupon.

"Collateral Support" means all property (real or personal) assigned, hypothecated or otherwise securing any of the Collateral, and shall include any security agreement or other agreement granting a lien or security interest in such real or personal property.

"Commercial Tort Claim" means, collectively, (a) each Commercial Tort Claim (as defined in the Uniform Commercial Code) other than any Commercial Tort Claim (as defined in the Uniform Commercial Code) in which the Issuer seeks damages arising out of torts committed against it that could reasonably be expected to result in a damage award to it of less than $100,000, including all claims described on Schedule 12 to the Perfection Certificate, and (b) all Claim Proceeds.

"Copyright License" means any written agreement, now or hereafter in effect, granting any right to any third party under any Copyright now or hereafter owned or held by or behalf

of the Issuer or which the Issuer otherwise has the right to license, or granting any right to the Issuer under any Copyright now or hereafter owned by any third party, and all rights of the Issuer under any such agreement, including each agreement described on Schedule 11(b) to the Perfection Certificate.

"Copyright Security Agreement" means a security agreement with respect to Copyrights, substantially in the form of Exhibit A.

"Copyrights" means all of the following: (a) all copyright rights in any work subject to the copyright laws of the United States of America or any other country, whether as author, assignee, transferee or otherwise, (b) all registrations and applications for registration of any such copyright in the United States of America or any other country, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office or any similar offices in the United States of America or any other country, including those described on Schedule 11(b) to the Perfection Certificate, (c) all rights and privileges arising under applicable law with respect to the use of such copyrights, (d) all reissues, renewals, continuations and extensions thereof and amendments thereto, and (e) all income, fees, royalties, damages, claims and payments now or hereafter due and/or payable with respect thereto, including damages and payments for past, present or future infringements thereof.

"Debenture Documents" means, collectively, the Securities Purchase Agreement, the Debentures, the Account Control Agreement, the Intercreditor Agreement, the Exchange Agreement, this Agreement and all other documents, instruments, certificates and agreements executed and delivered and to be or hereafter from time to time executed and delivered to any party or all of the parties by any party or all of the parties in connection with the transactions contemplated in this Agreement and in the other foregoing documents and agreements.

"Debtor Relief Laws" means the Bankruptcy Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States of America or other applicable jurisdictions from time to time in effect.

"Default" means any event or condition which constitutes an Event of Default or that upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"Dollars" or "$" refers to lawful money of the United States of America.

"Event of Default" has the meaning assigned to such term in the Debentures.

"Equity Interests" means, with respect to any Person, (a) shares of capital stock of (or other ownership or profit interests in) such Person, (b) warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, (c) securities (other than Indebtedness) convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and (d) all other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or non-voting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"Excluded Accounts" means (a) any Deposit Account or Securities Account that is solely used for the holding of (i) funds used for payroll and payroll taxes and other employee benefit

payments to or for the benefit of the Issuer's employees, (ii) taxes required to be collected, remitted or withheld (including federal and state withholding taxes (including the employer's share thereof)), and (iii) funds which the Issuer holds in trust or as an escrow or fiduciary for another Person that is not an Affiliate of the Issuer.

"Excluded Assets" means:

(i) any Equity Interest of any CFC or FSHCO or any Subsidiary of any CFC or FSHCO acquired, owned or otherwise held directly or indirectly by the Issuer; *provided* that 65% of the issued and outstanding Voting Equity Interests and 100% of the issued and outstanding non-Voting Equity Interests of any CFC or FSHCO that is held directly by the Issuer shall (unless, in each case, independently excluded by operation of another provision) be pledged as Collateral and shall not, for the avoidance of doubt, be deemed to be Excluded Assets;

(ii) any asset directly or indirectly owned by any CFC or FSHCO or any Subsidiary of any CFC or FSHCO or any Foreign Subsidiary and any Equity Interests in any CFC or FSHCO or any Subsidiary of any CFC or FSHCO not held directly by the Issuer;

(iii) any contract, lease, license or other agreement or any property subject to a purchase money security interest, a capitalized lease obligation or other similar arrangement permitted under the Debentures and any proceeds and receivables thereof to the extent that (and only for so long as) a grant of a security interest therein would violate or invalidate, or result in other adverse consequences to the Issuer and its Subsidiaries under, such contract, lease, license, agreement, or purchase money, capitalized lease obligation or similar arrangement, or create a right of termination in favor, or require the consent, of any other party thereto (other than the Issuer), in each case to the extent not rendered unenforceable pursuant to applicable provisions of the UCC or other applicable law; *provided*, that the Collateral shall include proceeds and receivables (that are not otherwise Excluded Assets) of any property excluded under this clause (iii) to the extent the assignment thereof is expressly deemed effective under the UCC notwithstanding such prohibition;

(iv) any Equity Interests in Joint Ventures or any non-wholly owned Subsidiary to the extent prohibited or otherwise restricted by the organizational documents of such Person in each case to the extent the applicable prohibition or restriction is not rendered ineffective pursuant to applicable provisions of the UCC; *provided* that the Collateral shall include proceeds and receivables (that are not otherwise Excluded Assets) of any property excluded under the foregoing to the extent the assignment thereof is expressly deemed effective under the UCC notwithstanding such prohibition or restriction;

(v) any interests in real property;

(vi) any property of the Issuer to the extent (A) that any applicable law or Governmental Authority prohibits the creation of a Lien thereon or such creation would require a consent of any Governmental Authority or any other Person (other than the Issuer) that has not been obtained, in each case to the extent the applicable prohibition or requirement for consent is not rendered ineffective pursuant to applicable provisions of the UCC; *provided* that the Collateral shall include proceeds and receivables (that are not otherwise Excluded Assets) of any property excluded under this clause (A) to the extent the assignment thereof is expressly deemed effective under the UCC notwithstanding such prohibition, or (B) the grant

of a security interest therein would result in material adverse tax consequences for the Issuer and its Subsidiaries (taken as a whole), or material adverse tax consequences as a result of the operation of Section 956 of the Code as reasonably determined by the Issuer in good faith in consultation with the Investor;

(vii) any intent-to-use trademark applications prior to the filing, and acceptance by the United States Patent and Trademark Office, of a "Statement of Use or "Amendment to Allege Use" with respect thereto, if any, to the extent that, and solely during the period in which, the grant of a security interest therein prior to such filing and acceptance would impair the validity or enforceability of such intent-to-use trademark applications or the resulting trademark applications under applicable federal law;

(viii) any Authorizations, to the extent that (and only for so long as a grant of a security interest therein would be prohibited or restricted thereby, in each case to the extent the applicable prohibition or restriction is not rendered ineffective after giving effect to the applicable provisions of the UCC;

(ix) all Pre-Sale Production License Agreements and all rights (in Intellectual Property Collateral or otherwise) granted, license fees, royalties (and any advances or guarantees of such royalties) and other amounts owed or payable or which become owing or payable under such agreements until such time as the production financing arrangement (if any) in respect of the applicable production is paid in full;

(x) Excluded Accounts; and

(xi) all assets or other property which are expressly excluded from the Security Interest pursuant to the terms and conditions of the Debentures.

Notwithstanding anything to the contrary contained in the foregoing clauses (i) through (xi) or in the Debenture Documents, the Issuer shall not be required to perfect the security interest in the following other than by the filing of a UCC financing statement in the Applicable Filing Office: (a) instruments representing or evidencing Pledged Debt in an aggregate principal amount of less than $100,000, (b) except with respect to Intellectual Property with a fair market value of greater than $2,500,000, Intellectual Property subject to the laws of any country other than the United States, Canada or the United Kingdom, (c) certain Collateral in such circumstances where the Investor determines, in its sole but reasonable discretion, that the cost of perfecting the security interest in such Collateral is excessive in relation to the practical benefit to the Investor obtained thereby (clauses (a) through and including (c)), collectively, the "Perfection Exceptions").

"Exclusive Control Notice" means, with respect to any control agreement for a Deposit Account, Securities Account or Commodity Account, as the case may be, a notice by an Investor to a relevant depository bank, Securities Intermediary or Commodity Intermediary, as the case may be, pursuant to which such Investor exercises exclusive control as to such Deposit Account, Securities Account or Commodity Account.

"Federal Securities Laws" has the meaning assigned to such term in Section 5.3.

"FSHCO" means any Subsidiary (i) that is organized under the laws of the United States, any state thereof or the District of Columbia (or is a disregarded entity, for U.S. federal income tax purposes, the assets of which are treated as owned by a Subsidiary that is so organized) and (ii)

substantially all of the assets of which consist, for U.S. federal income tax purposes, of equity or Indebtedness of one or more CFCs.

"GAAP" means generally accepted accounting principles in effect from time to time in the United States of America.

"Governmental Authority" means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any department, commission, board, bureau, agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra national bodies such as the European Union or the European Central Bank) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

"Indemnitee" means, collectively, the Investor and each Related Party of the Investor.

"Insurance" means all insurance policies covering any or all of the Collateral (regardless of whether the Investor is the loss payee thereof).

"Intellectual Property" means, collectively, all of the Issuer's rights, priorities and privileges relating to all intellectual and similar property of every kind and nature, whether arising under United States, multinational or foreign laws or otherwise, now existing or hereafter adopted or acquired, including, without limitation inventions, designs, Patents, Copyrights, Trademarks, Licenses, domain names, Trade Secrets, confidential or proprietary technical and business information, know how, show how or other data or information, software and databases and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and accessions to, and books and records describing or used in connection with, any of the foregoing, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom. "License" means any Copyright License, Patent License, Trademark License, Trade Secret License or other license (other than any Authorization) or sublicense to which the Issuer is a party.

"Investment Related Property" means, collectively, (a) all Investment Property including (i) all Certificated Securities and Uncertificated Securities, (ii) all Security Entitlements, and (iii) all Securities Accounts, Commodity Contracts and Commodity Accounts and all of the assets held therein, (b) all security entitlements, in the case of any United States Treasury book-entry securities, as defined in 31 C.F.R. section 357.2, or, in the case of any United States federal agency book-entry securities, as defined in the corresponding United States federal regulations governing such book-entry securities, and (c) whether or not constituting "investment property" as so defined, all Pledged Collateral.

"Investor" has the meaning assigned to such term in the preamble to this Agreement.

"IP Security Agreement" means a Copyright Security Agreement, Patent Security Agreement or Trademark Security Agreement, as applicable.

"Issuer" has the meaning assigned to such term in the preamble to this Agreement.

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capitalized lease or title retention agreement relating to such asset, and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

"LLC Interests" means the membership interests and other interests in any limited liability company and the certificates, if any, representing such limited liability company interests and any interest of the owner thereof in the books and records of such limited liability company and any Securities Entitlements relating thereto and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such limited liability company interests and any other warrant, right or option or other agreement to acquire any of the foregoing, all management rights, all voting rights, any interest in any capital account of a member in such limited liability company, all rights as and to become a member of the limited liability company, all rights of the holder thereof under any shareholder or voting trust agreement or similar agreement in respect of such limited liability company, all of the holder's right, title and interest as a member to any and all assets or properties of such limited liability company, and all other rights, powers, privileges, interests, claims and other property in any manner arising out of or relating to any of the foregoing.

"Margin Stock" has the meaning assigned to such term in Regulation U of the Board of Governors of the Federal Reserve System of the United States.

"Other Investor" means **[●]**, a Delaware limited partnership.

"Parent" has the meaning assigned to such term in recitals to this Agreement.

"Partnership Interests" shall mean all partnership interests and other interests in any general partnership, limited partnership, limited liability partnership or other partnership and the certificates, if any, representing such partnership interests, and any interest of the holder thereof in the books and records of such partnership and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such partnership interests and any other warrant, right or option to acquire any of the foregoing, all management rights, all voting rights, any interest in any capital account of a partner in such partnership, all rights as and to become a partner of such partnership, all of the holder's right, title and interest as a partner to any and all assets or properties of such partnership, and all other rights, powers, privileges, interests, claims and other property in any manner arising out of or relating to any of the foregoing.

"Patent License" means any written agreement, now or hereafter in effect, granting to any third party any right to make, use or sell any invention covered in whole or in part by a Patent, now or hereafter owned or held by or on behalf of the Issuer or which the Issuer otherwise has the right to license, or granting to the Issuer any right to make, use or sell any invention on which a Patent, now or hereafter owned by any third party, and all rights of the Issuer under any such agreement, including each agreement described on Schedule 11(a) to the Perfection Certificate.

"Patent Security Agreement" means a security agreement with respect to Patents, substantially in the form of Exhibit B.

"Patents" means all of the following: (a) all letters patent of the United States of America or any other country, all registrations and recordings thereof and all applications for letters patent of the United States of America or any other country, including registrations, recordings and pending applications in the United States Patent and Trademark Office or any similar offices in the United States of America or any other country, including those described on Schedule 11(a) to the Perfection Certificate, (b) all inventions and improvements described and claimed therein, including the right to make, use and/or sell the inventions disclosed or claimed therein, (c) all reissues, continuations, divisions, continuations in part, renewals or extensions thereof and amendments thereto, and the inventions disclosed or claimed therein, and (d) all income, fees, royalties, damages, claims and payments now or hereafter due and/or payable thereunder and with respect thereto.

"Perfection Certificate" means a perfection certificate in a form acceptable to the Investor provided by the Issuer to the Investor on the date hereof, as supplemented from time to time as a result of the delivery of any Perfection Certificate Supplement pursuant to this Agreement.

"Perfection Certificate Supplement" means, with respect to the applicable fiscal quarter or fiscal year, a certificate in a form acceptable to the Investor that updates and supplements the information contained in the Perfection Certificate delivered on the date hereof and is signed by an officer of the Issuer.

"Permitted Liens**"** has the meaning assigned to such term in the Debentures.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Pledged Collateral" means, collectively, the Pledged Debt, Pledged Debt Securities and the Pledged Equity Interests.

"Pledged Debt" means all debt now or hereafter owed or owing to the Issuer, including all such debt described on Part C of Schedule 3.4, and all interest, cash, instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such debt.

"Pledged Debt Securities" means all Securities or Instruments (including promissory notes) evidencing Pledged Debt and held by the Issuer, whether now owned or hereafter acquired, including, but not limited to, all such Securities and Instruments described on Part C of Schedule 3.4 (as the same may be amended or supplemented from time to time).

"Pledged Equity Interests" means all Equity Interests, including all LLC Interests and Partnership Interests, now owned or hereafter acquired by the Issuer in each Subsidiary (except to the extent that such Equity Interests constitute Excluded Assets), in each case whether now owned or hereafter created or acquired, together with all Security Certificates and other certificates evidencing such Equity Interests, including, but not limited to, (a) in the case of certificated Equity Interests constituting Securities, the Equity Interests listed in Part A of Schedule 3.4 (as the same may be amended or supplemented from time to time) and (b) in the case of Equity Interests constituting Pledged LLC Interests and Pledged Partnership Interests, the Equity Interests listed in Part B of Schedule 3.4 (as the same may be amended or supplemented from time to time).

"Pledged Securities" means the Pledged Debt Securities, any other promissory notes, instruments, Security Certificates, unit certificates, certificates evidencing LLC Interests or Partnership

Interests and other Certificated Securities now or hereafter included in the Pledged Collateral representing or evidencing any Pledged Collateral, in each case excluding any Excluded Assets.

"Pre-Sale Production License Agreements" means all agreements in respect of a audiovisual production which contemplate the payment of license fees, royalties (and any advances or guarantees of such royalties) or other amounts which are used to finance the costs of such production and are included in the production financing plan for the applicable production.

"Receivables" means all rights to payment, whether or not earned by performance, for goods or other property sold, leased, licensed, assigned or otherwise disposed of, or services rendered or to be rendered, including all such rights constituting or evidenced by any Account, Chattel Paper, Instrument or other document, General Intangible or Investment-Related Property, together with all of the Issuer's rights, if any, in any goods or other property giving rise to such right to payment, and all Collateral Support and Supporting Obligations relating thereto and all Receivables Records.

"Receivables Records" means (a) all originals of all documents, instruments or other writings or electronic records or other Records evidencing any Receivable, (b) all books, correspondence, credit or other files, Records, ledger sheets or cards, invoices, and other papers relating to any Receivable, including all tapes, cards, computer tapes, computer discs, computer runs, record keeping systems and other papers and documents relating to any Receivable, whether in the possession or under the control of the Issuer or any computer bureau or agent from time to time acting for the Issuer or otherwise, (c) all evidences of the filing of financing statements and the registration of other instruments in connection therewith, and amendments, supplements or other modifications thereto, notices to other creditors or secured parties, and certificates, acknowledgments, or other writings, including lien search reports, from filing or other registration officers, (d) all credit information, reports and memoranda relating thereto, and (e) all other written forms of information related in any way to the foregoing or any Receivable.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, members, directors, officers, employees, agents, trustees, administrators, managers, advisors, attorneys-in-fact and representatives of such Person and of such Person's Affiliates.

"Secured Obligations" means the due and punctual payment and performance of all advances to, and debts, liabilities, obligations, covenants and duties of, the Issuer owing to the Investor under or pursuant to each of the Debenture Documents and all costs and expenses incurred in connection with enforcement and collection of the foregoing, including the fees, charges and disbursements of counsel, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest, expenses and fees that accrue after the commencement by or against the Issuer or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest, expenses and fees are allowed claims in such proceeding.

"Securities Purchase Agreement" has the meaning assigned to such term in the Recitals to this Agreement.

"Security Interest" has the meaning assigned to such term in Section 2.1.

"subsidiary" means, with respect to any Person ("***Topco***"), as of any date, any corporation, limited liability company, partnership, association or other entity the accounts of which

would be consolidated with those of Topco in Topco's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power is or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held by Topco or one or more subsidiaries of Topco.

"Subsidiary" means any direct or indirect subsidiary of the Issuer.

"Supporting Obligations" means (a) all "supporting obligations" as defined in Article 9 of the Uniform Commercial Code and (b) all Guarantees and other secondary obligations supporting any of the Collateral, in each case regardless of whether characterized as a "supporting obligation" under the Uniform Commercial Code.

"Termination Date" means the date upon which all Secured Obligations (other than unasserted contingent indemnification and unasserted expense reimbursement obligations in each case not yet due and payable) have been indefeasibly paid in full in cash.

"Trade Secrets" means all trade secrets and all other confidential or proprietary information and know-how now or hereafter owned or used in, or contemplated at any time for use in, the business of the Issuer, whether or not such Trade Secret has been reduced to a writing or other tangible form, including all documents and things embodying, incorporating or referring in any way to such Trade Secret, the right to sue for any past, present and future infringement of any Trade Secret, and all proceeds of the foregoing, including licenses, royalties, income, payments, claims, damages and proceeds of suit.

"Trade Secret License" means any written agreement, now or hereafter in effect, granting to any third party any right to use any Trade Secret now or hereafter owned or held by or on behalf of the Issuer or which the Issuer otherwise has the right to license, or granting to the Issuer any right to use any Trade Secret now or hereafter owned by any third party, and all rights of the Issuer under any such agreement, including each agreement described on Schedule 11(a) to the Perfection Certificate.

"Trademark License" means any written agreement, now or hereafter in effect, granting to any third party any right to use any Trademark now or hereafter owned or held by or on behalf of the Issuer or which the Issuer otherwise has the right to license, or granting to the Issuer any right to use any Trademark now or hereafter owned by any third party, and all rights of the Issuer under any such agreement, including each agreement described on Schedule 11(a) to the Perfection Certificate.

"Trademark Security Agreement" means a security agreement with respect to Trademarks, substantially in the form of Exhibit C.

"Trademarks" means all of the following: (a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, uniform resource locations (URL's), domain names, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, (b) all registrations and recordings thereof and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office

or any similar offices in the United States of America or any other country, and all common-law rights related thereto, including those described on Schedule 11(a) to the Perfection Certificate, and (c) all reissues, continuations, extensions and renewals thereof and amendments thereto, (d) all goodwill associated therewith or symbolized by any of the foregoing, (e) all income, fees, royalties, damages and payments now and hereafter due and/or payable thereunder and with respect thereto and (f) all other assets, rights and interests that uniquely reflect or embody such goodwill.

"Uncertificated LLC Interest" means a LLC Interest at any time owned by the Issuer, which LLC Interest is not a Security and not represented by a certificate.

"Uncertificated Partnership Interest" means a Partnership Interest at any time owned by the Issuer, which Partnership Interest is not a Security and not represented by a certificate.

"Uniform Commercial Code" or "UCC" shall mean the Uniform Commercial Code as in effect from time to time in the State of New York; provided, however, that, at any time, if by reason of mandatory provisions of law, any or all of the perfection or priority of the Investor's security interest in any item or portion of the Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the terms "Uniform Commercial Code" and "Uniform Commercial Code" shall mean the Uniform Commercial Code as in effect, at such time, in such other jurisdiction for purposes of the provisions hereof relating to such perfection or priority and for purposes of definitions relating to such provisions.

"Voting Equity Interests" means, with respect to any Person, shares of such Person's Equity Interests having the right to vote for the election of the members of the board of directors or other managing person of such Person under ordinary circumstances.

Section 1.3 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding"; and the word "through" means "to and including." Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (f) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

ARTICLE 2

SECURITY INTEREST

Section 2.1 Grant of Security Interest. As security for the payment or performance, as applicable, in full when due (whether at the stated maturity, by acceleration or otherwise) of the Secured Obligations, the Issuer hereby grants to the Investor and its permitted successors and assigns, a security interest (the "Security Interest") in all the Issuer's right, title and interest in, to and under any and all of the following assets, whether now owned or hereafter acquired and wheresoever located (collectively, the "Collateral"):

(a) all Accounts, including all Receivables and Receivable Records;

(b) all Chattel Paper (whether tangible or electronic),

(c) all Commercial Tort Claims listed on the Perfection Certificate,

(d) all Money and all Deposit Accounts,

(e) all Documents,

(f) all Equipment,

(g) all Fixtures,

(h) all General Intangibles,

(i) all Goods,

(j) all Instruments, including the Pledged Debt, Pledged Debt Securities and all Promissory Notes,

(k) all Insurance,

(l) all Intellectual Property,

(m) all Inventory,

(n) all Investment Property and Investment Related Property,

(o) all Pledged Equity Interests,

(p) all letters of credit, Letter-of-Credit Rights and other Supporting Obligations,

(q) all Proceeds of Authorizations and, to the extent not constituting Excluded Assets, all Authorizations and the goodwill associated with all Authorizations,

(r) all other personal property of the Issuer, whether tangible or intangible,

(s) to the extent not otherwise included in clauses (a) through (r) of this Section, all Collateral Records, Collateral Support and Supporting Obligations in respect of any of the foregoing,

(t) to the extent not otherwise included in clauses (a) through (s) of this Section, all other property in which a security interest may be granted under the Uniform Commercial Code or which may be delivered to and held by the Investor pursuant to the terms hereof, and

(u) to the extent not otherwise included in clauses (a) through (t) of this Section, all Proceeds, Accessions, products, substitutions, accessions, rents and profits of or in respect of any of the foregoing Collateral, whether cash or non-cash, immediate or remote, and any indemnities, warranties and guaranties payable by reason of loss or damage to or otherwise with respect to any of the foregoing Collateral and including, subject to Section 3.4(c), all payments of principal or interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of, in exchange for or upon the conversion of, the Pledged Collateral;

provided that none of the Collateral shall include, and in no event shall the Security Interest attach to, any asset to the extent and for so long as such asset is an Excluded Asset (it being understood that the Security Interest shall immediately attach to, and the Collateral shall immediately include, any such asset (or any portion thereof) upon such asset (or such portion thereof) ceasing to be an Excluded Asset); provided, further, that Proceeds, substitutions or replacements of Excluded Assets shall not be subject to the preceding proviso unless such Proceeds, substitutions or replacements would themselves constitute Excluded Assets.

Section 2.2 Revisions to Uniform Commercial Code. For the avoidance of doubt, it is expressly understood and agreed that, to the extent the Uniform Commercial Code is revised after the date hereof such that the definition of any of the foregoing terms included in the description or definition of the Collateral is changed, the parties hereto desire that any property which is included in such changed definitions, but which would not otherwise be included in the Security Interest on the date hereof, nevertheless be included in the Security Interest upon the effective date of such revision. Notwithstanding the immediately preceding sentence, the Security Interest is intended to apply immediately on the date hereof to all of the Collateral to the fullest extent permitted by applicable law, regardless of whether any particular item of the Collateral was then subject to the Uniform Commercial Code.

Section 2.3 Security for Secured Obligations. This Agreement secures, and the Collateral is collateral security for, the prompt and complete payment or performance in full when due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) the Bankruptcy Code, or any similar provision of any other bankruptcy, insolvency, receivership or other similar law), of all Secured Obligations.

Section 2.4 No Assumption of Liability. Notwithstanding anything to the contrary herein, the Security Interest is granted as security only and shall not subject the Investor to, or in any way alter or modify, any obligation or liability of the Issuer with respect to or arising out of the Collateral.

ARTICLE 3

REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 3.1 Generally.

(a) Representations and Warranties. The Issuer represents and warrants to the Investor:

(i) The Perfection Certificate has been duly prepared, completed and executed and the information set forth therein (including (A) the exact legal name of the Issuer and (B) the jurisdiction of organization of the Issuer) is correct and complete in all respects as of the date of this Agreement. Uniform Commercial Code financing statements or other appropriate filings, recordings or registrations containing a description of the Collateral have been prepared by the Investor based upon the information provided to the Investor in the Perfection Certificate for filing in the Applicable Filing Office which are all the filings, recordings and registrations (other than filings required to be made in the United States Patent and Trademark Office and the United States Copyright Office in order to perfect the Security Interest in the Intellectual Property) that are necessary to publish notice of and protect the validity of and to establish a legal, valid and perfected security interest in favor of the Investor in respect of all Collateral in which the Security Interest may be perfected by filing, recording or registration in the United States (or any state, commonwealth or other political subdivision thereof) and its territories and possessions, and no further or subsequent filing, refiling, recording, re-recording, registration or reregistration is necessary in any such jurisdiction, except as provided under applicable law with respect to the filing of Uniform Commercial Code continuation statements.

(ii) The Issuer has good and valid rights in or title to, the Collateral with respect to which it has purported to grant the Security Interest, except for minor defects in title that do not interfere in any material manner with its ability to conduct its business as currently conducted or to utilize such Collateral for its intended purposes, and except for Permitted Liens. The Issuer has not filed or consented to the filing of (A) any financing statement or analogous document under the Uniform Commercial Code or any other applicable laws covering any such Collateral, (B) any assignment in which it assigns any such Collateral or any security agreement or similar instrument covering any such Collateral with the United States Patent and Trademark Office or the United States Copyright Office, or any similar offices in the United States of America or any other country, or (C) any assignment in which it assigns any such Collateral or any security agreement or similar instrument covering any such Collateral with any foreign governmental, municipal or other office, in each case which financing statement, analogous document, assignment or other instrument, as applicable, is still in effect, except for Permitted Liens.

(iii) The Collateral is owned by the Issuer free and clear of any Lien, except for Permitted Liens. The Issuer has not filed or consented to the filing of (i) any financing statement or analogous document under the Uniform Commercial Code or any other applicable laws covering any Collateral (except for financing statements or analogous documents filed for precautionary reasons relating to operating leases, consignments and other similar items, in each case as permitted under the Debentures), (ii) any assignment in which the Issuer assigns any Collateral or any security agreement or similar instrument covering any Collateral with the United States Patent and Trademark Office or the United States Copyright Office, (iii) any notice under the Assignment of Claims Act, or (iv) any assignment in which the Issuer assigns any Collateral or any security agreement or similar instrument covering any Collateral with any foreign governmental, municipal or

other office, which financing statement or analogous document, assignment, security agreement or similar instrument is still in effect, except, in each case, for Permitted Liens.

(b) Covenants and Agreements. The Issuer hereby covenants and agrees as follows:

(i) It shall maintain, at its own cost and expense, such complete and accurate Records with respect to the Collateral owned or held by it or on its behalf as is consistent with its current practices and in accordance with such prudent and standard practices used in industries that are the same as or similar to those in which it is engaged, but in any event to include complete accounting Records indicating all payments and proceeds received with respect to any part of such Collateral, and, at such time or times as the Investor may reasonably request, promptly to prepare and deliver to the Investor a duly certified schedule or schedules in form and detail satisfactory to the Investor showing the identity and amount of any and all such Collateral.

(ii) It shall, at its own cost and expense, take any and all actions necessary to defend title to the Collateral owned or rights in Collateral held by it or on its behalf against all Persons and to defend the Security Interest in such Collateral and the priority thereof against any Lien or other interest not expressly permitted by the Debenture Documents, and in furtherance thereof, it shall not take, or permit to be taken, any action not otherwise expressly permitted by the Debenture Documents that could impair the Security Interest or the priority thereof or the Investor's rights in or to such Collateral.

(iii) During normal business hours, the Investor and such Persons as the Investor may designate shall, as often as reasonably requested, have the right, at the cost and expense of the Issuer, to inspect all of its Records (and to make extracts and copies from such Records), to discuss its affairs with its officers and independent accountants and to verify under reasonable procedures the validity, amount, quality, quantity, value, condition and status of, or any other matter relating to, the Collateral owned or rights in Collateral held by or on behalf of the Issuer, including, in the case of Receivables, Pledged Debt, General Intangibles, Commercial Tort Claims or Collateral in the possession of any third person, by contacting Account Debtors, contract parties or other obligors thereon or any third person possessing such Collateral for the purpose of making such a verification.

(iv) At its option, the Investor may discharge past due taxes, assessments, charges, fees, Liens, security interests or other encumbrances at any time levied or placed on the Collateral owned or held by or on behalf of the Issuer, and not permitted by the Debenture Documents, and may pay for the maintenance and preservation of such Collateral to the extent the Issuer fails to do so as required by the Debenture Documents, and the Issuer agrees to reimburse the Investor on demand for any payment made or any cost or expense incurred by the Investor pursuant to the foregoing authorization; provided, however, that nothing in this paragraph shall be interpreted as excusing the Issuer from the performance of, or imposing any obligation on the Investor to cure or perform, any covenants or other promises of the Issuer with respect to taxes, assessments, charges, fees, Liens, security interests or other encumbrances and maintenance as set forth herein or in the other Debenture Documents.

(v) It shall remain liable for the failure to observe and perform all the conditions and obligations to be observed and performed by it under each contract, agreement or instrument relating to the Collateral owned or held by it or on its behalf, all in accordance with the terms and conditions thereof, and it agrees to indemnify and hold harmless the Investor from and against any and all liability for such performance.

(vi) It will not (A) maintain its place of business (if it has only one) or its chief executive office (if it has more than one place of business) at a location other than a location specified in Section 7(a) of the Perfection Certificate, (B) change its jurisdiction of incorporation or organization or otherwise reincorporate or reorganize itself under the laws of any jurisdiction other than the jurisdiction in which it is incorporated or organized as specified in Section 2 of the Perfection Certificate or (C) change its name, identity, corporate structure, organizational identification number or taxpayer identification number, unless in each such case the Issuer shall have given the Investor not less than 30 days' prior written notice of such event or occurrence.

(vii) If any Uncertificated Securities, Uncertificated LLC Interests or Uncertificated Partnership Interests, in each case constituting Collateral are received by the Issuer, it shall promptly (and in any event within ten (10) Business Days) deliver to the Investor as secured party and as gratuitous bailee for the Other Investor an Acknowledgment of Issuers of Certain Pledged Equity Interests duly executed by the issuer of such Uncertificated Securities, Uncertificated LLC Interests or Uncertificated Partnership Interests; as applicable, *provided*, that the failure of the Issuer to provide such Acknowledgment of Issuers of Certain Pledged Equity Interests with respect to such Uncertificated Securities, Uncertificated LLC Interests or Uncertificated Partnership Interests; as applicable, shall not impair the security interest of the Investor therein or otherwise adversely affect the rights and remedies of the Investor hereunder with respect thereto.

(viii) The Issuer shall deliver to the Investor within 45 days of the last day of (i) the first fiscal quarter of the Issuer that ends after the date hereof and (ii) each fiscal year of the Issuer, a Perfection Certificate Supplement with respect to each such fiscal quarter or fiscal year, as applicable, to the extent there are any changes in the information contained in the Perfection Certificate, as previously supplemented. The Perfection Certificate, as supplemented by any such Perfection Certificate Supplement, will be correct and complete in all material respects as of the date of such Perfection Certificate Supplement.

Section 3.2 Equipment and Inventory. The Issuer represents and warrants to the Investor that all of the Equipment and Inventory included in the Collateral owned or held by it or on its behalf (other than mobile goods, Inventory and Equipment in transit and other Collateral in which possession is not maintained in the ordinary course of its business) is kept only at the locations specified in Section 7 of the Perfection Certificate, which sets forth, as of the date hereof, with respect to the Issuer, Equipment and Inventory (i) maintained at the premises owned by the Issuer and (ii) maintained at leased premises.

Section 3.3 Receivables. The Issuer hereby covenants and agrees that:

(a) It will not, without the Investor's prior written consent (which, so long as no Default has occurred and is continuing, consent shall not be unreasonably withheld), grant any extension of the time of payment of any such Receivable, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any Supporting Obligation or Collateral Support relating thereto, or allow any credit or discount whatsoever thereon, other than extensions, credits, discounts, releases, compromises or settlements granted or made in the ordinary course of business and consistent with its current practices or in accordance with such practices reasonably believed by the Issuer to be prudent.

(b) Except as otherwise provided in this Section, it shall continue to collect all amounts due or to become due to it under all such Receivables and any Supporting Obligations or Collateral Support relating thereto, and diligently exercise each material right it may have thereunder,

in each case at its own cost and expense, and in connection with such collections and exercise, it shall, upon the occurrence and during the continuance of an Event of Default, take such action as it or the Investor may reasonably deem necessary. Notwithstanding the foregoing, the Investor shall have the right at any time after the occurrence and during the continuance of an Event of Default to notify, or require the Issuer to notify, any Account Debtor with respect to any such Receivable, Supporting Obligation or Collateral Support of the Investor's security interest therein, and in addition, at any time during the continuation of an Event of Default, the Investor may: (A) direct such Account Debtor to make payment of all amounts due or to become due to the Issuer thereunder directly to the Investor and (B) enforce, at the cost and expense of the Issuer, collection thereof and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Issuer would be able to have done. If the Investor notifies the Issuer that it has elected to collect any such Receivable, Supporting Obligation or Collateral Support in accordance with the preceding sentence, any payments thereof received by the Issuer shall not be commingled with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Investor hereunder and shall be forthwith delivered to the Investor in the same form as so received (with any necessary indorsement), and the Issuer shall not grant any extension of the time of payment thereof, compromise, compound or settle the same for less than the full amount thereof, release the same, wholly or partly, or allow any credit or discount whatsoever thereon.

(c) It shall use its commercially reasonable efforts to keep in full force and effect any Supporting Obligation or Collateral Support relating to any Receivable.

Section 3.4 Pledged Collateral.

(a) Representations and Warranties. The Issuer represents and warrants to the Investor that:

(i) Schedule 3.4 sets forth, as of the date hereof, all of the Pledged Collateral. Part A of Schedule 3.4 correctly sets forth, as of the date hereof, the percentage of the issued and outstanding shares of each class of the Equity Interests of the issuer thereof represented by the Pledged Equity Interests and includes all Pledged Equity Interests required to be pledged hereunder. Part B of Schedule 3.4 also correctly sets forth, as of the date hereof, with respect to each LLC Interest and Partnership Interest whether such interest is a Security. Part C of Schedule 3.4 correctly sets forth, as of the date hereof, Pledged Debt and includes all Pledged Debt required to be pledged hereunder.

(ii) The Pledged Equity Interests and the Pledged Debt Securities have been duly and validly authorized and issued by the issuers thereof and (A) in the case of Pledged Equity Interests, are fully paid and nonassessable (to the extent such concepts are applicable) and are not and will not be subject to any contractual restriction, or any restriction under the charter, bylaws, partnership agreement or other organizational instrument of the issuer thereof (except for any such restriction contained in the Debenture Documents or as approved by the Investor in its sole but reasonable discretion) and (B) in the case of Pledged Debt Securities, are legal, valid and binding obligations of the issuers thereof, except to the extent that enforceability of such obligations may be limited by applicable bankruptcy, insolvency, and other similar laws affecting creditor's rights generally.

(iii) (A) None of the Pledged Collateral owned by it has been issued or transferred in violation of the securities registration, securities disclosure or similar laws of any jurisdiction to which such issuance or transfer may be subject, (B) except as set forth on Schedule 3.4,

there are existing no options, warrants, calls or commitments of any character whatsoever relating to such Pledged Collateral or which obligate the issuer of any Equity Interest included in the Pledged Collateral to issue additional Equity Interests, and (C) no consent, approval, authorization, or other action by, and no giving of notice to or filing with, any governmental authority or any other Person is or will be required for the pledge by the Issuer of such Pledged Collateral pursuant to this Agreement or for the execution, delivery and performance of this Agreement by the Issuer, or for the exercise by the Investor of the voting or other rights provided for in this Agreement or for the remedies in respect of the Pledged Collateral pursuant to this Agreement, except as may be required in connection with such disposition by laws affecting the offering and sale of securities generally.

(b) Registration in Nominee Name; Denominations. The Issuer hereby agrees that (i) without limiting Section 6.3, the Investor shall have the right (in its sole and absolute discretion) to hold, where applicable, Investment-Related Property included in the Collateral owned or held by it or on its behalf in the Investor's own name as pledgee, the name of its nominee (as pledgee or as sub-agent) or the name of the Issuer, endorsed or assigned, where applicable, in blank or in favor of the Investor, (ii) at the Investor's request, the Issuer will promptly give to the Investor copies of any notices or other written communications received by it with respect to any Investment-Related Property included in the Collateral owned or held by it or on its behalf registered in its name and (iii) the Investor shall at all times have the right to exchange any certificates, instruments or other documents representing or evidencing any Investment-Related Property included in the Collateral owned or held by or on behalf of the Issuer for certificates, instruments or other documents of smaller or larger denominations for any purpose consistent with this Agreement.

(c) Voting and Distributions.

(i) Unless and until an Event of Default shall have occurred and be continuing:

(A) The Issuer shall be entitled to exercise any and all voting and/or other consensual rights and powers inuring to an owner of the Investment-Related Property included in the Collateral owned or held by it or on its behalf, or any part thereof, for any purpose consistent with the terms of this Agreement and the other Debenture Documents; provided, however, that the Issuer will not be entitled to exercise any such right if the result thereof could materially and adversely affect the rights inuring to a holder of the Investment-Related Property or the rights and remedies of any of the Investor under this Agreement or any other Debenture Document or the ability of any of the Investor to exercise the same.

(B) The Investor shall execute and deliver to the Issuer, or cause to be executed and delivered to the Issuer, all such proxies, powers of attorney and other instruments as the Issuer may reasonably request for the purpose of enabling it to exercise the voting and/or consensual rights and powers it is entitled to exercise pursuant to subsection (c)(i)(A) and to receive the cash payments it is entitled to receive pursuant to subsection (c)(i)(C).

(C) The Issuer shall be entitled to receive, retain and use any and all cash dividends, interest and principal paid on the Investment-Related Property included in the Collateral owned or held by it or on its behalf to the extent and only to the extent that such cash dividends, interest and principal are not prohibited by the terms and conditions of the Debenture Documents and applicable laws. All non-cash dividends, interest and principal,

and all dividends, interest and principal paid or payable in cash or otherwise in connection with a partial or total liquidation or dissolution, return of capital, capital surplus or paid in surplus, and all other distributions (other than distributions referred to in the preceding sentence) made on or in respect of the Investment-Related Property included in the Collateral owned or held by it or on its behalf, whether paid or payable in cash or otherwise, whether resulting from a subdivision, combination or reclassification of the outstanding Equity Interests in any issuer or received in exchange for any Investment-Related Property, or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be and become part of the Collateral, and, if received by the Issuer, shall not be commingled with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Investor hereunder and shall be forthwith delivered to the Investor in the same form as so received (with any necessary endorsement).

(ii) Without limiting the generality of the foregoing, upon the occurrence and during the continuance of an Event of Default:

(A) all rights of the Issuer to dividends, interest or principal that it is authorized to receive pursuant to subsection (c)(i)(C) shall cease, and all such rights shall thereupon become vested in the Investor, which shall have the sole and exclusive right and authority to receive and retain such dividends, interest or principal, as applicable. All dividends, interest and principal received by or on behalf of the Issuer contrary to the provisions of this Section shall be held in trust for the benefit of the Investor, shall be segregated from other property or funds of the Issuer and shall be forthwith delivered to the Investor upon demand in the same form as so received (with any necessary endorsement). Any and all money and other property paid over to or received by the Investor pursuant to the provisions of this subsection (c)(ii)(A) shall be retained by the Investor in an account to be established in the name of the Investor upon receipt of such money or other property and shall be applied in accordance with the provisions of Section 5.2. Subject to the provisions of this subsection (c)(ii)(A), such account shall at all times be under the sole dominion and control of the Investor, and the Investor shall at all times have the sole right to make withdrawals therefrom and to exercise all rights with respect to the funds and other property from time to time therein or credited thereto as set forth in the Debenture Documents. After all Events of Default have been cured or waived, the Investor shall, within five Business Days after all such Events of Default have been cured or waived, repay to the Issuer all cash dividends, interest and principal (without interest) that the Issuer would otherwise be permitted to retain pursuant to the terms of subsection (c)(i)(C) and which remain in such account.

(B) all rights of the Issuer to exercise the voting and consensual rights and powers it is entitled to exercise pursuant to subsection (c)(i)(A), and the obligations of the Investor under subsection (c)(i)(B), shall cease, and all such rights shall thereupon become vested in the Investor, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers, provided that the Investor may from time to time following and during the continuance of an Event of Default permit the Issuer to exercise such rights. After all Events of Default have been cured or waived, the Issuer will have the right to exercise the voting and consensual rights and powers that it would otherwise be entitled to exercise pursuant to the terms of subsection (c)(i)(A).

(d) Covenants and Agreements. The Issuer hereby covenants and agrees as follows:

(i) The Issuer agrees to deliver or cause to be delivered to the Investor any and all Pledged Securities (A) in the case of any such Pledged Securities owned by the Issuer on the Closing Date, on the Closing Date, and (B) in the case of Pledged Securities acquired by the Issuer after the Closing Date, promptly and in any event within 30 days after the acquisition thereof by the Issuer (or such longer period agreed to by the Investor in its reasonable discretion).

(ii) If any Indebtedness for borrowed money in a principal amount in excess of $100,000 (individually) is owing to the Issuer and such Indebtedness is evidenced by a promissory note, the Issuer shall deliver to the Investor such promissory note, together with undated instruments of transfer with respect thereto endorsed in blank;

(iii) Upon delivery to the Investor, (A) any certificate, instrument or document representing or evidencing Pledged Securities shall be accompanied by undated stock or note powers duly executed in blank or other undated instruments of transfer satisfactory to the Investor and duly executed in blank and by such other instruments and documents as the Investor may reasonably request and (B) all other property comprising part of the Pledged Collateral shall be accompanied by proper instruments of assignment duly executed by the Issuer and such other instruments or documents as the Investor may reasonably request. Each delivery of Pledged Securities shall be accompanied by a schedule describing the Pledged Securities, which schedule shall be attached hereto as Part A, B or C, as applicable, of Schedule 3.4; provided that failure to attach any such schedule hereto shall not affect the validity of the pledge of such Pledged Securities. Each schedule so delivered shall supplement any prior schedules so delivered.

(iv) The Issuer if pledging Uncertificated Securities shall deliver to the Investor an agreement among the issuer thereof, the Investor and the Issuer, in form and substance satisfactory to the Investor, pursuant to which such issuer agrees to comply with any and all instructions originated by the Investor without further consent by the Issuer and not to comply with instructions regarding such Uncertificated Securities originated by any other person other than a court of competent jurisdiction. The Investor agrees with the Issuer that the Investor shall not give any such instructions or directions to any such issuer unless an Event of Default has occurred and is continuing. In addition, the Issuer hereby agrees that upon the occurrence and during the continuance of an Event of Default, it will comply with written instructions of the Investor with respect to the Equity Interests in the Issuer that constitute Pledged Equity Interests hereunder without further consent by the applicable owner or holder of such Equity Interests.

(e) LLC Interests and Partnership Interests. The Issuer acknowledges and agrees that each LLC Interest or Partnership Interest pledged hereunder shall not be a Security and shall not be governed by Article 8 of the Uniform Commercial Code,

Section 3.5 Letter-of-Credit Rights. The Issuer represents and warrants to the Investor that Schedule 15 to the Perfection Certificate sets forth, as of the date hereof, each letter of credit giving rise to a Letter of Credit Right included in the Collateral owned or held by or on behalf of the Issuer.

Section 3.6 Intellectual Property Collateral.

(a) Representations and Warranties. The Issuer represents and warrants to the Investor that Schedule 11(a) and 11(b) of the Perfection Certificate sets forth, as of the date hereof, a list of all of the (i) Trademarks, Patents and Copyrights, in each case included in the Collateral owned by or on behalf of the Issuer and with respect to which a registration, recording or pending application has been made in the United States Patent and Trademark Office or the United States Copyright

Office, as applicable, or any similar offices in the United States of America or any other country, and (ii) Trademark Licenses, Patent Licenses, Copyright Licenses and Trade Secret Licenses and domain names, in each case included in the Collateral owned or held by or on behalf of the Issuer.

(b) Covenants and Agreements. The Issuer hereby covenants and agrees as follows:

(i) It will not, nor will it permit any of its licensees (or sublicensees) to, do any act, or omit to do any act, whereby any material Patent included in the Collateral that is related to the conduct of its business may become invalidated or dedicated to the public, and it shall continue to mark any products covered by a Patent with the relevant patent number as necessary to establish and preserve its maximum rights under applicable patent laws.

(ii) It will (either directly or through its licensees or its sublicensees), for each Trademark included in the Collateral that is material to the conduct of its business, (A) maintain such Trademark in full force free from any claim of abandonment or invalidity for non-use, (B) maintain the quality of products and services offered under any such Trademark, and (C) display such Trademark with notice of Federal or other analogous registration to the extent necessary to establish and preserve its rights under applicable law.

(iii) It will (either directly or through its licensees or its sublicensees), for each work covered by a Copyright included in the Collateral that is material to the conduct of its business, continue to publish, reproduce, display, adopt and distribute such work with appropriate copyright notice as necessary to establish and preserve its maximum rights under applicable copyright laws.

(iv) It will promptly notify the Investor in writing if it knows that any Intellectual Property included in the Collateral material to the conduct of its business may become abandoned, lost or dedicated to the public, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office or the United States Copyright Office, or any similar offices or tribunals in the United States of America or any other country) regarding the Issuer's ownership of any such Intellectual Property, its right to register the same, or to keep and maintain the same.

(v) Within 30 days after the end of each fiscal quarter, it will execute and deliver to the Investor an applicable IP Security Agreement with respect to any Intellectual Property included in the Collateral that it creates or acquires.

(vi) It will take all necessary steps that are consistent with the practice in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or any similar offices or tribunals in the United States of America or any other country, to maintain and pursue each material application relating to the Intellectual Property included in the Collateral owned or held by it or on its behalf (and to obtain the relevant grant or registration) and to maintain each issued Patent and each registered Trademark and Copyright included in the Collateral that is material to the conduct of its business, including timely filings of applications for renewal, affidavits of use, affidavits of incontestability and payment of maintenance fees, and, if consistent, in good faith, with reasonable business judgment, to initiate opposition, interference and cancellation proceedings against third parties.

(vii) It shall continue to collect all amounts due or to become due to the Issuer under all licenses of Intellectual Property included in the Collateral owned or held by it or on its behalf, and diligently exercise each material right it may have thereunder, in each case at its own cost and expense, and in connection with such collections and exercise, it shall, upon the occurrence and during the continuance of an Event of Default, take such action as it or the Investor may reasonably deem necessary. Notwithstanding the foregoing, the Investor shall have the right at any time after the occurrence and during the continuance of an Event of Default to notify, or require the Issuer to notify, any relevant obligors with respect to such amounts of the Investor's security interest therein.

Section 3.7 Commercial Tort Claims.

(a) Representations and Warranties. The Issuer represents and warrants to the Investor that Schedule 12 to the Perfection Certificate sets forth, as of the date hereof, all Commercial Tort Claims.

(b) Covenants and Agreements. The Issuer hereby covenants and agrees that it shall provide the Investor with prompt written notice of each Commercial Tort Claim, and any judgment, settlement or other disposition thereof and will take commercially reasonable actions if so requested by the Investor to grant and perfect a security interest therein.

Section 3.8 Deposit Accounts, Securities Accounts and Commodity Accounts.

(a) Representations and Warranties. The Issuer represents and warrants to the Investor that Schedule 18 to the Perfection Certificate sets forth, as of the date hereof, a complete and correct list of all Deposit Accounts, Securities Accounts and Commodity Accounts of the Issuer.

(b) Covenants and Agreements. The Issuer hereby covenants and agrees that it shall promptly from time to time upon the request of the Investor, execute and deliver such control agreements, each in form and substance reasonably acceptable to the Investor, as may be required to perfect the security interest created hereby in any and all Deposit Accounts, Investment Property, Electronic Chattel Paper and Letter-of-Credit Rights, and will promptly furnish to the Investor true copies thereof. The Investor shall not direct any depository bank, Securities Intermediary or Commodity Intermediary, as the case may be, with respect to the funds in a Deposit Account, Securities Account or Commodity Account, as the case may be, subject to a control agreement except upon the occurrence and during the continuance of an Event of Default. If the Investor is entitled to issue and does issue an Exclusive Control Notice and the Event of Default giving rise to the delivery of such Exclusive Control Notice is thereafter cured or waived, Investor shall withdraw the Exclusive Control Notice. The Issuer and the applicable depository bank, Securities Intermediary or Commodity Intermediary, as the case may be, shall duly execute and deliver to the Investor and the Other Investor a control agreement in form and substance reasonably acceptable to the Investor with respect to each Deposit Account, Securities Account or Commodity Account, as applicable, that is not an Excluded Account, established or maintained after the date of this Agreement within thirty (30) days of such account opening.

ARTICLE 4

FURTHER ASSURANCES; FILING AUTHORIZATION

Section 4.1 Further Assurances. The Issuer hereby covenants and agrees, at its own cost and expense, to execute, acknowledge, deliver and/or cause to be duly filed all such further

agreements, instruments and other documents (including favorable legal opinions in connection with any transaction contemplated by the Debentures if reasonably required by the Investor), and take all such further actions, that the Investor may from time to time reasonably request to preserve, protect and perfect the Security Interest granted by it and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with its execution and delivery of this Agreement, the granting by it of the Security Interest and the filing of any financing statements or other documents in connection herewith or therewith, in each case subject to the Perfection Exceptions.

Section 4.2 Filings.

(a) The Issuer hereby irrevocably authorizes the Investor at any time and from time to time to file in any relevant jurisdiction any financing statements and amendments thereto that contain the information required by Article 9 of the Uniform Commercial Code of each applicable jurisdiction for the filing of any financing statement or amendment relating to the Collateral, including (i) whether the Issuer is an organization, the type of organization and any organizational identification number issued to the Issuer, (ii) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of the real property to which the Collateral relates, and (iii) any financing or continuation statements or other documents without the signature of the Issuer where permitted by law, including the filing of financing statements describing the Collateral as "all assets now owned or hereafter acquired by the Issuer or in which Issuer otherwise has rights" or any similar phrase, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the Uniform Commercial Code, or as being of an equal or lesser scope or with greater detail. The Issuer agrees to provide all information described in the immediately preceding sentence to the Investor promptly upon the reasonable request by the Investor. The Issuer also ratifies its authorization for the Investor to have filed in any Uniform Commercial Code jurisdiction any like financing statements or amendments thereto if filed prior to the date hereof.

(b) The Issuer hereby further authorizes the Investor to file filings with the United States Patent and Trademark Office or United States Copyright Office (or any successor office or any similar office in Canada), including this Agreement or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by the Issuer hereunder, without the signature of the Issuer, and naming the Issuer, as debtor, and the Investor, as secured party.

ARTICLE 5

REMEDIES UPON DEFAULT

Section 5.1 Remedies Generally.

(a) General Rights. Upon the occurrence and during the continuance of an Event of Default, the Issuer agrees to deliver each item of Collateral owned or held by it or on its behalf to the Investor on demand, and it is agreed that the Investor shall have the right to take any of or all the following actions at the same or different times: (i) with respect to any Collateral consisting of Intellectual Property or Commercial Tort Claims, on demand, to cause the Security Interest to become an assignment, transfer and conveyance of any such Collateral by the Issuer to the Investor, or, in the case of Intellectual Property, to license or sublicense, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any such Collateral throughout the world on such

terms and conditions and in such manner as the Investor shall determine, unless any of the Issuer's obligations set forth in this clause (a) would violate any then-existing licensing arrangements to the extent that waivers cannot be obtained, (ii) with or without legal process and with or without prior notice or demand for performance, to take possession of the Collateral owned or held by it or on its behalf and without liability for trespass to enter any premises where such Collateral may be located for the purpose of taking possession of or removing such Collateral and, generally, to exercise any and all rights afforded to a secured party under the Uniform Commercial Code or other applicable law, and (iii) appoint a receiver for all or any portion of the Collateral. Without limiting the generality of the foregoing, the Issuer agrees that the Investor shall have the right, upon the occurrence and during the continuance of an Event of Default, subject to the mandatory requirements of applicable law, to sell or otherwise dispose of any of the Collateral owned or held by or on behalf of the Issuer, 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 Investor shall deem appropriate. The Investor shall be irrevocably authorized at any such sale of such Collateral constituting securities (if it deems it advisable to do so) to restrict the prospective bidders or purchasers to Persons who will represent and agree that they are purchasing such 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 Investor shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the 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 the Issuer, and the Issuer hereby waives (to the extent permitted by law) all rights of redemption, stay, valuation and appraisal which the Issuer now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

(b) Sale of Collateral. The Investor shall give the Issuer ten days' written notice (which the Issuer agrees is reasonable notice within the meaning of Section 9-611 of the Uniform Commercial Code as in effect in the State of New York or its equivalent in other jurisdictions (or any successor provisions)) of the Investor's intention to make any sale of any of the Collateral owned or held by or on behalf of the Issuer. Such notice, in the case of a public sale, shall state the time and place for such sale and, in the case of a 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 such Collateral 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 Investor may fix and state in the notice (if any) of such sale. At any such sale, the Collateral to be sold may be sold in one lot as an entirety or in separate parcels, as the Investor may (in its sole and absolute discretion) determine. The Investor shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Investor 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 any sale of any of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Investor until the sale price is paid by the purchaser or purchasers thereof, but the Investor shall not incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. At any public (or, to the extent permitted by applicable law, private) sale made pursuant to this Section, the Investor may bid for or purchase, free (to the extent permitted by applicable law) from any right of redemption, stay, valuation or appraisal on the part of the Issuer (all said rights being also hereby waived and released to the extent permitted by law), any of the Collateral offered for sale and may make payment on account thereof by using any claim then due and payable to the Investor from the Issuer as a credit against the purchase price, and the Investor may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to the Issuer therefor.

For purposes hereof, (i) a written agreement to purchase any of the Collateral shall be treated as a sale thereof, (ii) the Investor shall be free to carry out such sale pursuant to such agreement, and (iii) the Issuer shall not be entitled to the return of any of the Collateral subject thereto, notwithstanding the fact that after the Investor shall have entered into such an agreement all Events of Default shall have been remedied and the Secured Obligations paid in full. As an alternative to exercising the power of sale herein conferred upon it, the Investor may proceed by a suit or suits at law or in equity to foreclose upon any of the Collateral and to sell any of the Collateral pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver. Any sale pursuant to the provisions of this Article shall be deemed to conform to the commercially reasonable standards as provided in Part 6 of Article 9 of the Uniform Commercial Code as in effect in the State of New York or its equivalent in other jurisdictions (or any successor provisions). Without limiting the generality of the foregoing, the Issuer agrees as follows: (A) if the proceeds of any sale of the Collateral owned or held by it or on its behalf pursuant to this Article are insufficient to pay all the Secured Obligations, it shall be liable for the resulting deficiency and the fees, charges and disbursements of any counsel employed by the Investor to collect such deficiency, (B) it hereby waives any claims against the Investor arising by reason of the fact that the price at which any such Collateral may have been sold at any private sale pursuant to this Article was less than the price that might have been obtained at a public sale, even if the Investor accepts the first offer received and does not offer such Collateral to more than one offeree, (C) there is no adequate remedy at law for failure by it to comply with the provisions of this Section and that such failure would not be adequately compensable in damages, and therefore agrees that its agreements in this Section may be specifically enforced, (D) the Investor may sell any such Collateral without giving any warranties as to such Collateral, and the Investor may specifically disclaim any warranties of title or the like, and (E) the Investor shall have no obligation to marshal any such Collateral.

If an Event of Default shall occur and be continuing, all Proceeds received by the Issuer consisting of cash, cash equivalents, checks and other near-cash items shall be held by the Issuer in trust for the Investor, segregated from other funds of the Issuer, and shall, forthwith upon receipt by the Issuer, be turned over to the Investor in the exact form received by the Issuer (duly endorsed by the Issuer to the Investor, if required). All Proceeds received by the Investor hereunder shall, pending application thereof as set forth in Section 5.2, be held by the Investor in a collateral account maintained under its sole dominion and control. All Proceeds while held by the Investor in a collateral account (or by the Issuer in trust for the Investor) shall continue to be held as collateral security for all the Obligations and shall not constitute payment thereof until applied as provided in Section 5.2.

Section 5.2 Application of Proceeds of Collateral. All proceeds received by the Investor in respect of any sale, any collection from, or other realization upon all or any part of the Collateral as well as any Collateral consisting of cash shall be applied in full or in part by the Investor against the Secured Obligations as follows:

First, to the payment of that portion of the Secured Obligations constituting reasonable and documented expenses of the Investor incurred in connection with the realization of the Collateral;

Second, to the extent of any excess of such proceeds, to the payment of that portion of the Secured Obligations constituting accrued and unpaid interest on the Debentures;

Third, to the extent of any excess of such proceeds, to the payment of that portion of the Secured Obligations constituting unpaid principal of the Debentures; and

Last, to the extent of any excess of such proceeds, the balance, if any, after all of the Secured Obligations (other than unasserted contingent indemnification and unasserted expense reimbursement obligations in each case not yet due and payable) have been paid in full, to the Issuer or as otherwise required by law.

Section 5.3 Federal Securities Laws. In view of the position of the Issuer in relation to the Investment-Related Property, or because of other current or future circumstances, a question may arise under the Securities Act of 1933, 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 being called the "Federal Securities Laws") with respect to any disposition of the Investment-Related Property permitted hereunder. The Issuer understands that compliance with the Federal Securities Laws might very strictly limit the course of conduct of the Investor if the Investor were to attempt to dispose of all or any part of the Investment-Related Property, and might also limit the extent to which or the manner in which any subsequent transferee of any Investment-Related Property could dispose of the same. Similarly, there may be other legal restrictions or limitations affecting the Investor in any attempt to dispose of all or part of the Investment-Related Property under applicable "blue sky" or other state securities laws or similar laws analogous in purpose or effect. The Issuer recognizes that in light of such restrictions and limitations the Investor may, with respect to any sale of the Investment-Related Property, limit the purchasers to those who will agree, among other things, to acquire such Investment-Related Property for their own account, for investment, and not with a view to the distribution or resale thereof. The Issuer acknowledges and agrees that in light of such restrictions and limitations, the Investor, in its sole and absolute discretion, (i) may proceed to make such a sale whether or not a registration statement for the purpose of registering such Investment-Related Property, or any part thereof, shall have been filed under the Federal Securities Laws and (ii) may approach and negotiate with a single potential purchaser to effect such sale. The Issuer acknowledges and agrees that any such sale might result in prices and other terms less favorable to the seller than if such sale were a public sale without such restrictions. In the event of any such sale, the Investor shall incur no responsibility or liability for selling all or any part of the Investment-Related Property at a price that the Investor, in its sole and absolute discretion, may in good faith deem reasonable under the circumstances, notwithstanding the possibility that a substantially higher price might have been realized if the sale were deferred until after registration as aforesaid or if more than a single purchaser were approached. The provisions of this Section will apply notwithstanding the existence of a public or private market upon which the quotations or sales prices may exceed substantially the price at which the Investor sells any such Investment-Related Property.

Section 5.4 Grant of License to Use Intellectual Property. For the purpose of enabling the Investor to exercise rights and remedies under this Article, at such time as the Investor shall be lawfully entitled to exercise such rights and remedies, the Issuer hereby grants, to the extent it has the right to grant, to the Investor an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to the Issuer) to use, license or sublicense any of the Collateral consisting of Intellectual Property now owned or held or hereafter acquired or held by or on behalf of the Issuer, and wherever the same may be located, and including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof. The use of such license by the Investor shall be exercised, at the option of the Investor, upon the occurrence and during the continuation of an Event of Default; provided that (i) any license, sublicense or other transaction entered into by the Investor in accordance herewith shall be binding upon the Issuer notwithstanding any subsequent cure of an Event of Default and (ii) the Investor shall not use, license or sublicense any of such Collateral consisting of Intellectual Property in a manner which would or could conflict with, violate or

otherwise infringe upon the rights (including any Intellectual Property) of any third party. Any royalties and other payments received by the Investor shall be applied in accordance with Section 5.2.

Section 5.5 Remedies Cumulative. Each and every right, power and remedy hereby specifically given to the Investor shall be in addition to every other right, power and remedy specifically given to the Investor under this Agreement, the other Debenture Documents or now or hereafter existing at law, in equity or by statute and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time or simultaneously and as often and in such order as may be deemed expedient by the Investor. All such rights, powers and remedies shall be cumulative and the exercise or the beginning of the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Investor in the exercise of any such right, power or remedy, no single or partial exercise of any such right, power or remedy, no abandonment or discontinuance of steps to enforce such right, power or remedy and no renewal or extension of any of the Secured Obligations shall impair any such right, power or remedy or shall be construed to be a waiver of any Default or an acquiescence thereof. No notice to or demand on the Issuer in any case shall entitle it to any other or further notice or demand in similar or other circumstances or constitute a waiver of any of the rights of the Investor to any other or further action in any circumstances without notice or demand. In the event that the Investor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Investor may recover its expenses, including attorneys' fees and expenses, and the amounts thereof shall be included in such judgment.

Section 5.6 Deficiency. The Issuer shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Secured Obligations and the documented out-of-pocket fees and disbursements of any attorneys employed by the Investor to collect such deficiency.

ARTICLE 6

CONCERNING THE INVESTOR

Section 6.1 In General. The Investor shall have the right hereunder to make demands, to give notices, to exercise or refrain from exercising any rights, and to take or refrain from taking action (including the release or substitution of the Collateral), in accordance with this Agreement and the Debentures. The Investor may employ agents and attorneys-in-fact in connection herewith and shall not be liable for the negligence or misconduct of any such agents or attorneys-in-fact selected by it in good faith except for gross negligence or willful misconduct.

Section 6.2 Standard of Care. The Investor shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if such Collateral is accorded treatment substantially equivalent to that banks or other commercial lenders accord to property held as collateral consisting of similar instruments.

Section 6.3 Investor Appointed Attorney-in-Fact. The Issuer hereby appoints the Investor and any officer or agent thereof, as its true and lawful agent and attorney-in-fact for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instrument that the Investor may deem necessary or advisable to accomplish the purposes hereof, which appointment is irrevocable and coupled with an interest, and without limiting the generality of the foregoing, the

Investor shall have the right, with power of substitution for the Issuer and in the Issuer's name or otherwise, for the use and benefit of the Investor, upon the occurrence and during the continuance of an Event of Default and at such other time or times permitted by the Debenture Documents, (i) to receive, endorse, assign and/or deliver any and all notes, acceptances, checks, drafts, money orders or other evidences of payment relating to the Collateral owned or held by it or on its behalf or any part thereof; (ii) to demand, collect, receive payment of, give receipt for, and give discharges and releases of, any of such Collateral; (iii) to sign the name of the Issuer on any invoice or bill of lading relating to any of such Collateral; (iv) to send verifications of Receivables included in the Collateral owned or held by it or on its behalf to any Account Debtor; (v) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on any of the Collateral owned or held by it or on its behalf or to enforce any rights in respect of any of such Collateral; (vi) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to any of such Collateral; (vii) to notify, or to require the Issuer to notify, Account Debtors and other obligors to make payment directly to the Investor, (viii) to use, sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with any of such Collateral, and (ix) to do all other acts and things necessary to carry out the purposes of this Agreement, as fully and completely as though the Investor were the absolute owner of such Collateral for all purposes; provided, however, that nothing herein contained shall be construed as requiring or obligating the Investor to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Investor, or to present or file any claim or notice, or to take any action with respect to any of the Collateral or the monies due or to become due in respect thereof or any property covered thereby, and no action taken or omitted to be taken by the Investor with respect to any of the Collateral shall give rise to any defense, counterclaim or offset in favor of the Issuer or to any claim or action against the Investor. The provisions of this Article shall in no event relieve the Issuer of any of its obligations hereunder or under the other Debenture Documents with respect to any of the Collateral or impose any obligation on the Investor to proceed in any particular manner with respect to any of the Collateral, or in any way limit the exercise by the Investor of any other or further right that it may have on the date of this Agreement or hereafter, whether hereunder, under any other Debenture Document, by law or otherwise.

Section 6.4 Reimbursement of Investor. The Issuer agrees to pay to the Investor the amount of any and all reasonable and documented out-of-pocket costs and expenses, including the reasonable and documented fees and disbursements of counsel and of any experts or agents, that the Investor may incur in connection with (i) the administration of this Agreement relating to the Issuer or any of its property, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Collateral owned or held by or on behalf of the Issuer, (iii) the exercise, enforcement or protection of any of the rights of the Investor hereunder relating to the Issuer or any of its property, or (iv) the failure by the Issuer to perform or observe any of the provisions hereof. Without limitation of its indemnification obligations under the other Debenture Documents, the Issuer agrees to indemnify the Investor and the other Indemnitees against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related reasonable and documented out-of-pocket costs and expenses, including reasonable and documented counsel fees and disbursements, incurred by or asserted against any Indemnitee arising out of, in any way connected with, or as a result of (a) the execution or delivery by the Issuer of this Agreement or any other Debenture Document or any agreement or instrument contemplated hereby or thereby, or the performance by the Issuer of its obligations under the Debenture Documents and the other transactions contemplated thereby or (b) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to

have resulted from the gross negligence or willful misconduct of such Indemnitee. Any amounts payable as provided hereunder shall be additional Secured Obligations secured hereby. The provisions of this Section shall remain operative and in full force and effect regardless of the termination of this Agreement or any other Debenture Document, the consummation of the transactions contemplated hereby or thereby, the repayment of any of the Secured Obligations, the invalidity or unenforceability of any term or provision of this Agreement or any other Debenture Document or any investigation made by or on behalf of the Investor. All amounts due under this Section shall be payable within ten days of written demand therefor.

ARTICLE 7

WAIVERS; AMENDMENTS

No failure or delay of the Investor in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Investor hereunder and under the other Debenture Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No notice or demand on the Issuer in any case shall entitle the Issuer to any other or further notice or demand in similar or other circumstances. Neither this Agreement nor any provision hereof may be waived, amended, supplemented or otherwise modified, or any departure therefrom consented to, except pursuant to an agreement or agreements in writing entered into by or between the Investor and the Issuer.

ARTICLE 8

SECURITY INTEREST ABSOLUTE

All rights of the Investor hereunder, the Security Interest and all obligations of the Issuer hereunder shall be absolute and unconditional irrespective of (i) any lack of validity or enforceability of the Debentures, any other Debenture Document, any agreement with respect to any of the Secured Obligations, or any other agreement or instrument relating to any of the foregoing, (ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other waiver, amendment, supplement or other modification of, or any consent to any departure from, the Debentures, any other Debenture Document or any other agreement or instrument relating to any of the foregoing, (iii) except as otherwise expressly permitted under the Debenture Documents or effected pursuant thereto, any exchange, release or non-perfection of any Lien on any other collateral, or any release or waiver, amendment, supplement or other modification of, or consent under, or departure from, any guaranty, securing or guaranteeing all or any of the Secured Obligations, or (iv) any other circumstance (other than indefeasible payment in full of the Secured Obligations) that might otherwise constitute a defense available to, or a discharge of, the Issuer in respect of the Secured Obligations or in respect of this Agreement or any other Debenture Document.

ARTICLE 9

TERMINATION; RELEASE

Section 9.1 Termination and Release. This Agreement, the Guarantees made herein, the Security Interest and all other security interests granted hereby shall terminate, and the Issuer shall automatically be released from its obligations hereunder, upon the Termination Date.

Section 9.2 Other Releases.

(a) Upon the effectiveness of any written consent from the Investor to the release of the Security Interest in any Collateral, the Security Interest in such Collateral shall be automatically released.

(b) Upon any sale, transfer or other disposition of Collateral permitted by the Debenture Documents (other than to the Parent of a Subsidiary), the Security Interest in such Collateral shall be automatically released (other than to the extent any such sale, transfer or other disposition of such Collateral would, immediately after giving effect thereto, result in the receipt by the Issuer of any other property (whether in the form of Proceeds or otherwise) that would, but for the release of the Security Interest therein pursuant to this clause, constitute Collateral, in which event the Lien created hereunder in favor of the Investor shall continue in such property).

(c) If any of the Pledged Equity Interests in a Subsidiary of the Issuer are sold, transferred or otherwise disposed of pursuant to a transaction permitted by the Debenture Documents and, immediately after giving effect thereto, such Subsidiary would no longer be a Subsidiary of the Issuer, then the obligations of such Subsidiary under this Agreement and the Security Interest in the Collateral owned or rights in Collateral held by or on behalf of such Subsidiary shall be automatically released.

Section 9.3 Release Documentation. In connection with any termination or release pursuant to this Article 9, the Investor shall execute and deliver to the Issuer, at the Issuer's expense, all documents that the Issuer shall reasonably request to evidence such termination or release so long as the Issuer shall have provided the Investor such certifications or documents as the Investor shall reasonably request in order to demonstrate compliance with the relevant provisions of this Article 9. Any execution and delivery of documents by the Investor pursuant to this Section shall be without recourse to or warranty by the Investor.

ARTICLE 10

[RESERVED]

ARTICLE 11

MISCELLANEOUS

Section 11.1 Notices. All communications and notices hereunder shall be in writing and given as provided in Section 7.5 of the Debentures.

Section 11.2 Binding Effect; Several Agreement; Assignments Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the

successors and assigns of such party, and all covenants, promises and agreements by or on behalf of the Issuer that are contained in this Agreement shall bind and inure to the benefit of each party hereto and its successors and assigns. This Agreement shall become effective as to the Issuer when a counterpart hereof executed on behalf of the Issuer shall have been delivered to the Investor and a counterpart hereof shall have been executed on behalf of the Investor, and thereafter shall be binding upon the Issuer and the Investor and their respective successors and assigns, and shall inure to the benefit of the Issuer, the Investor and their respective successors and assigns, except that the Issuer shall not have the right to assign its rights or obligations hereunder or any interest herein or in any of the Collateral (and any such attempted assignment shall be void), except as expressly contemplated by this Agreement or the other Debenture Documents.

Section 11.3 Survival of Agreement; Severability. All covenants, agreements, representations and warranties made by the Issuer herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Debenture Document shall be considered to have been relied upon by the Investor and shall survive the execution and delivery of any Debenture Document and the making of any Credit Extension, regardless of any investigation made by the Investor or on its behalf, and shall continue in full force and effect until this Agreement shall terminate. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 11.4 Governing Law; Jurisdiction; Venue; Waivers.

(a) This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York. The Issuer irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of the courts of the State of New York sitting in New York County and of the United States District Court of the for the Southern District of New York and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and the Issuer irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such Federal court. The Issuer agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Investor may otherwise have to bring any action or proceeding relating to this Agreement against the Issuer or its properties in the courts of any jurisdiction.

(b) The Issuer irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement in any court referred to in Section 11.4(a). The Issuer hereby irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) The Issuer irrevocably consents to service of process in the manner provided for notices in Section 11.1. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 11.5 WAIVER OF JURY TRIAL. THE ISSUER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). THE ISSUER HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 11.6 Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, the Issuer shall not assert, and the Issuer hereby waives, any claim against any Indemnitee, 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 Agreement or any agreement or instrument contemplated hereby, the transactions contemplated hereby, any Loan or Letter of Credit or the use of the proceeds thereof.

Section 11.7 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 11.8 Counterparts. This Agreement may be executed in one or more duplicate counterparts and when signed by all of the parties shall constitute a single binding agreement. Delivery of an executed signature page to this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually signed counterpart of this Security Agreement. The words "execution," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

WILDBRAIN HOLDINGS LLC, as the Issuer

By: _____
Name: Eric Ellenbogen
Title: Chief Executive Officer

[●], as the Investor

By: its general partner **FINE CAPITAL MANAGEMENT, L.L.C.**

_____
Name: Debra Fine
Title: Chairman and Founder

SCHEDULE 3.4

PLEDGED COLLATERAL

Part A: Pledged Equity Interests (other than LLC Interests and Partnership Interests)

None

Part B: Pledged LLC Interests and Partnership Interests

None

Part C: Pledged Debt Securities

None

EXHIBIT A
TO
PLEDGE AND SECURITY AGREEMENT

FORM OF COPYRIGHT SECURITY AGREEMENT

COPYRIGHT SECURITY AGREEMENT, dated as of **[_____ __]**, 20**[__]** (as amended, restated, supplemented or otherwise modified, this "Agreement"), between WILDBRAIN HOLDINGS LLC, a Delaware limited liability company (the "Issuer") and **[●]**, a Delaware limited partnership (the "Investor").

Reference is made to (a) the Securities Purchase Agreement, dated as of June 24, 2020, among the Issuer, WildBrain Ltd., a Canadian corporation (the "Parent"), and the Investor and **[●]**., as investors (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Securities Purchase Agreement"), and the Debentures issued thereunder, and (b) the Pledge and Security Agreement, dated as of June 24, 2020, by and between the Issuer and the Investor (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement").

The Investor has agreed to purchase Debentures issued by the Issuer subject to the terms and conditions set forth in the Securities Purchase Agreement and the Issuer has secured its obligations pursuant to the Security Agreement. The obligations of the Investor to purchase such Debentures are conditioned upon, among other things, the execution and delivery of this Agreement.

Accordingly, the parties hereto agree as follows:

1. Terms. Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Security Agreement or the Securities Purchase Agreement.

2. Grant of Security Interest. As security for the payment or performance, as applicable, in full when due (whether at the stated maturity, by acceleration or otherwise) of the Secured Obligations, the Issuer, pursuant to the Security Agreement, did and hereby does grant to the Investor (and its successors and assigns), a security interest in, all the Issuer's right, title and interest in, to or under any and all of the following assets now owned or at any time hereafter acquired (collectively, the "Copyright Collateral"):

(a) all copyright rights in any work subject to the copyright laws of the United States of America, whether as author, assignee, transferee or otherwise, all registrations and applications for registration of any such copyright in the United States of America, in each case described on Schedule I and all reissues, renewals, continuations and extensions thereof and amendments thereto (the ("Copyrights");

(b) all rights and privileges arising under applicable law with respect to the use of Copyrights;

(c) all reissues, renewals, continuations and extensions thereof and amendments thereto, and

(d) all income, fees, royalties, damages, claims and payments now or hereafter due and/or payable with respect thereto, including damages and payments for past, present or future infringements thereof.

3. Security Agreement. The security interests granted to the Investor herein are granted in furtherance, and not in limitation of, the security interests granted to the Investor pursuant to the Security Agreement. The Issuer hereby acknowledges and affirms that the rights and remedies of the Investor with respect to the Copyright Collateral are more fully set forth in the Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of this Agreement and the Security Agreement, the terms of the Security Agreement shall govern.

4. Counterparts. This Agreement may be executed in one or more duplicate counterparts and when signed by all of the parties shall constitute a single binding agreement. Delivery of an executed signature page to this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually signed counterpart of this Security Agreement. The words "execution," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

5. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Copyright Security Agreement as of the day and year first above written.

WILDBRAIN HOLDINGS LLC, as the Issuer

By: _____
Name: Eric Ellenbogen
Title: Chief Executive Officer

[●], as the Investor

By: its general partner **FINE CAPITAL MANAGEMENT, L.L.C.**

_____
Name: Debra Fine
Title: Chairman and Founder

SCHEDULE I

COPYRIGHTS

Title	Reg. No.	Reg. Date

EXHIBIT B
TO
PLEDGE AND SECURITY AGREEMENT

FORM OF PATENT SECURITY AGREEMENT

PATENT SECURITY AGREEMENT, dated as of **[_____ __]**, 20**[__]** (as amended, restated, supplemented or otherwise modified, this "Agreement"), between WILDBRAIN HOLDINGS LLC, a Delaware limited liability company (the "Issuer") and **[●]**, a Delaware limited partnership (the "Investor").

Reference is made to (a) the Securities Purchase Agreement, dated as of June 24, 2020, among the Issuer, WildBrain Ltd., a Canadian corporation (the "Parent"), and the Investor and **[●]**, as investors (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Securities Purchase Agreement"), and the Debentures issued thereunder, and (b) the Pledge and Security Agreement, dated as of June 24, 2020, by and between the Issuer and the Investor (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement").

The Investor has agreed to purchase Debentures issued by the Issuer subject to the terms and conditions set forth in the Securities Purchase Agreement and the Issuer has secured its obligations pursuant to the Security Agreement. The obligations of the Investor to purchase such Debentures are conditioned upon, among other things, the execution and delivery of this Agreement.

Accordingly, the parties hereto agree as follows:

1. Terms. Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Security Agreement or the Securities Purchase Agreement.

2. Grant of Security Interest. As security for the payment or performance, as applicable, in full when due (whether at the stated maturity, by acceleration or otherwise) of the Secured Obligations, the Issuer, pursuant to the Security Agreement, did and hereby does grant to the Investor (and its successors and assigns), a security interest in, all the Issuer's right, title and interest in, to or under any and all of the following assets now owned or at any time hereafter acquired (collectively, the "Patent Collateral"):

(a) all letters patent of the United States of America, all registrations and recordings thereof and all applications for letters patent of the United States of America, including registrations, recordings and pending applications in the United States Patent and Trademark Office, in each case described on Schedule I and all reissues, renewals, continuations and extensions thereof and amendments thereto (the "Patents");

(b) all inventions and improvements described and claimed therein, including the right to make, use and/or sell the inventions disclosed or claimed therein,

(c) all reissues, continuations, divisions, continuations in part, renewals or extensions thereof and amendments thereto, and the inventions disclosed or claimed therein, and

(d) all income, fees, royalties, damages, claims and payments now or hereafter due and/or payable thereunder and with respect thereto.

3. Security Agreement. The security interests granted to the Investor herein are granted in furtherance, and not in limitation of, the security interests granted to the Investor pursuant to the Security Agreement. The Issuer hereby acknowledges and affirms that the rights and remedies of the Investor with respect to the Patent Collateral are more fully set forth in the Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of this Agreement and the Security Agreement, the terms of the Security Agreement shall govern.

4 Counterparts. This Agreement may be executed in one or more duplicate counterparts and when signed by all of the parties shall constitute a single binding agreement. Delivery of an executed signature page to this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually signed counterpart of this Security Agreement. The words "execution," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

5. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Copyright Security Agreement as of the day and year first above written.

WILDBRAIN HOLDINGS LLC, as the Issuer

By: _____
Name: Eric Ellenbogen
Title: Chief Executive Officer

[●], as the Investor

By: its general partner **FINE CAPITAL MANAGEMENT, L.L.C.**

_____
Name: Debra Fine
Title: Chairman and Founder

SCHEDULE I

PATENTS

Patent Title	Patent No.	Reg. Date	Serial No.	Filing Date

EXHIBIT C
TO
PLEDGE AND SECURITY AGREEMENT

FORM OF TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of **[_____ __]**, 20**[__]** (as amended, restated, supplemented or otherwise modified, this "Agreement"), between WILDBRAIN HOLDINGS LLC, a Delaware limited liability company (the "Issuer") and **[●]**, a Delaware limited partnership (the "Investor").

Reference is made to (a) the Securities Purchase Agreement, dated as of June 24, 2020, among the Issuer, WildBrain Ltd., a Canadian corporation (the "Parent"), and the Investor and **[●]**, as investors (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Securities Purchase Agreement"), and the Debentures issued thereunder, and (b) the Pledge and Security Agreement, dated as of June 24, 2020, by and between the Issuer and the Investor (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement").

The Investor has agreed to purchase Debentures issued by the Issuer subject to the terms and conditions set forth in the Securities Purchase Agreement and the Issuer has secured its obligations pursuant to the Security Agreement. The obligations of the Investor to purchase such Debentures are conditioned upon, among other things, the execution and delivery of this Agreement.

Accordingly, the parties hereto agree as follows:

1. Terms. Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Security Agreement or the Securities Purchase Agreement.

2. Grant of Security Interest. As security for the payment or performance, as applicable, in full when due (whether at the stated maturity, by acceleration or otherwise) of the Secured Obligations, the Issuer, pursuant to the Security Agreement, did and hereby does grant to the Investor (and its successors and assigns), a security interest in, all the Issuer's right, title and interest in, to or under any and all of the following assets now owned or at any time hereafter acquired (collectively, the "Trademark Collateral"):

(a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, uniform resource locations (URL's), domain names, designs and general intangibles of like nature, now existing or hereafter adopted or acquired and all registrations and recordings thereof and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office, in each case described on Schedule I and all reissues, renewals, continuations and extensions thereof and amendments thereto (the "Trademarks"),

(b) all reissues, continuations, extensions and renewals thereof and amendments thereto,

(c) all goodwill associated therewith or symbolized by any of the foregoing,

(d) all income, fees, royalties, damages and payments now and hereafter due and/or payable thereunder and with respect thereto, and

(e) all other assets, rights and interests that uniquely reflect or embody such goodwill.

3 Security Agreement. The security interests granted to the Investor herein are granted in furtherance, and not in limitation of, the security interests granted to the Investor pursuant to the Security Agreement. The Issuer hereby acknowledges and affirms that the rights and remedies of the Investor with respect to the Trademark Collateral are more fully set forth in the Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of this Agreement and the Security Agreement, the terms of the Security Agreement shall govern.

4 Counterparts. This Agreement may be executed in one or more duplicate counterparts and when signed by all of the parties shall constitute a single binding agreement. Delivery of an executed signature page to this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually signed counterpart of this Security Agreement. The words "execution," "signed," "signature," and words of like import in this Agreement shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

5. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Copyright Security Agreement as of the day and year first above written.

WILDBRAIN HOLDINGS LLC, as the Issuer

By: _____
Name: Eric Ellenbogen
Title: Chief Executive Officer

[●]., as the Investor

By: its general partner **FINE CAPITAL MANAGEMENT, L.L.C.**

_____
Name: Debra Fine
Title: Chairman and Founder

SCHEDULE I

TRADEMARKS

Mark	Reg. No.	Reg. Date	Serial No.	Filing Date

EXHIBIT D
TO
PLEDGE AND SECURITY AGREEMENT

FORM OF ACKNOWLEDGMENT OF ISSUERS OF CERTAIN PLEDGED EQUITY INTERESTS

Reference is made to (a) the Securities Purchase Agreement, dated as of June 24, 2020, among WildBrain Holdings LLC, a Delaware limited liability company (the "Issuer"), WildBrain Ltd., a Canadian corporation, and A**[●]**, a Delaware limited partnership (the "Investor"), and **[●]**, a Delaware limited partnership (the "Other Investor"), as investors (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Securities Purchase Agreement"), and the Debentures issued thereunder, and (b) the Pledge and Security Agreement, dated as of June 24, 2020, by and between the Issuer and the Investor (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"). Capitalized terms used herein and not otherwise defined have the meanings specified in the Security Agreement or the Securities Purchase Agreement. The undersigned acknowledges and agrees (i) to the grant and the perfection of the security interest in the equity interests (and related Collateral) issued by the undersigned (the "Specified Pledged Equity Interests") to WildBrain Holdings, LLC and (ii) that upon its receipt of written notice from the Investor that an Event of Default under the Debentures entered into between the Issuer and the Investor has occurred and is continuing, it (a) shall comply with written instructions signed by the Investor regarding the Specified Pledged Equity Interests without any consent by the Issuer and (b) shall not comply with instructions from the Issuer regarding the Specified Pledged Equity Interests without the Investor's prior written consent; *provided that*, in the event the undersigned executes acknowledgements with respect to the Specified Pledged Equity Interests in favor of each of the Investor and the Other Investor, it will follow the instructions of the party in whose favor was the acknowledgement that was first executed, unless such acknowledgements were executed on the same day, in which case the undersigned will follow only the joint instructions of both the Investor and the Other Investor.

ISSUER OF SPECIFIED PLEDGED EQUITY INTERESTS:

_____

By: _____
Name:
Title:

Address:

_____
_____
_____
Attention: _____

EXHIBIT D

ACCOUNT CONTROL AGREEMENT

See attached

DEPOSIT ACCOUNT CONTROL AGREEMENT

CITY NATIONAL BANK
The way up.®

This Deposit Account Control Agreement (this "Agreement") is entered into as of June 24, 2020, by and among **WILDBRAIN HOLDINGS LLC**, a Delaware limited liability company ("Client"), **ADOM PARTNERS, L.P.**, a Delaware limited partnership ("Adom"), **DEKEL PARTNERS, L.P.**, a Delaware limited partnership ("Dekel" and, together with Adom, "Lenders" and each a "Lender"), and **CITY NATIONAL BANK,** a national banking association ("CNB").

RECITALS

A. In order to secure certain obligations of Client to Lenders, Client has granted Lenders a security interest in deposit account number 665786072 maintained by Client with CNB at the office indicated below and any renewals, replacements or rollovers thereof (regardless of the number of such account(s) or the office(s) at which such accounts are maintained), all funds heretofore or hereafter deposited into such account(s), any proceeds thereof (including without limitation any interest earned thereon), and any general intangibles and choses in action arising therefrom and related thereto (collectively, the "Account").

B. In connection therewith, Client is requesting that CNB enter into this Agreement in order to perfect Lenders' security interest in the Account by control.

AGREEMENT

1. **Security Interest**

Pursuant to that certain Pledge and Security Agreement dated as of June 24, 2020 (the "Adom Security Agreement"), between Client and Adom, Client has granted to Adom a security interest in the Account, and CNB hereby acknowledges the security interest in the Account granted by Client to Adom. Client hereby ratifies and confirms the security interest it has granted in the Account to Adom under the Adom Security Agreement.

Pursuant to that certain Pledge and Security Agreement dated as of June 24, 2020 (the "Dekel Security Agreement", and together with the Adom Security Agreement, the "Security Agreements"), between Client and Dekel, Client has granted to Dekel a security interest in the Account, and CNB hereby acknowledges the security interest in the Account granted by Client to Dekel. Client hereby ratifies and confirms the security interest it has granted in the Account to Dekel under the Dekel Security Agreement.

CNB confirms that the Account is a "deposit account" within the meaning of Section 9-102 of the Uniform Commercial Code of New York (the "UCC"). CNB will act as a "bank" within the meaning of Section 9-102 of the UCC with respect to the Account. CNB confirms that this Agreement shall constitute an "authenticated record" within the meaning of Section 9-102 of the UCC. The parties hereto agree that the State of New York shall be CNB's jurisdiction for purposes of the UCC (including,

without limitation, Section 9-304 thereof). Client and Lenders agree that the provisions of this Agreement constitute "control" over the Account within the meaning of Section 9-104 of the UCC.

2. **Control of Account by Lenders; Client's Rights in Account**

2.1 Notwithstanding any separate agreement Client may have with CNB, each Lender shall be entitled, for purposes of this Agreement, at any time to give CNB instructions as to the withdrawal or disposition of funds from time to time credited to the Account, or as to any other matters relating to the Account (including without limitation an instruction to disregard all future instructions or demands that Client may give to CNB (an "Exclusive Control Notice")), all without further consent of Client. CNB shall, and is fully entitled to, rely upon any such instructions from a Lender even if such instructions are contrary to any instructions or demands that Client may give to CNB. If CNB receives an instruction from a Lender that conflicts with an instruction given by the other Lender, CNB shall follow the instruction that it first received; provided that, to the extent that both such instructions are received by CNB at the same time or CNB is unable to determine which instruction was received first, CNB shall act upon such instruction received from Dekel and disregard such instruction received from Adom. An Exclusive Control Notice may be withdrawn by the Lender that gave such notice as set forth in the applicable Security Agreement, at which time Section 2.2 hereof shall govern.

2.2 Until CNB has received written instructions from either Lender to the contrary, Client shall be entitled to present items drawn on or otherwise to withdraw or direct the disposition of funds from the Account.

2.3 Each Lender's power under this Agreement to give CNB instructions as to the withdrawal or disposition of any funds from time to time credited to the Account, as to any other matters relating to the Account, includes, without limitation, the power to give stop payment orders for any items being presented to the Account for payment. Client confirms that CNB shall follow such instructions from a Lender even if the result of following such instructions from such Lender is that CNB dishonors items presented for payment from the Account. Client further confirms that CNB will have no liability to Client for the wrongful dishonor of such items in following such instructions from a Lender.

3. **CNB's Responsibility**

3.1 CNB shall have no duty to inquire or determine whether Client's obligations to any Lender are in default or whether a Lender is entitled, under any separate agreement between such Lender and Client, to give any instructions relating to the Account. CNB shall have no responsibility or liability to either Lender for complying with any order or instruction, whether oral or written, from Client concerning the Account, except to the extent such compliance would violate (i) the provisions of this Agreement or (ii) written instructions or orders previously received from a Lender, but only if CNB had reasonable opportunity to act thereon (which in any event shall be no longer than three (3) Business Days from the date of receipt) and only to the extent such Lender had reasonable losses or liabilities resulting from any failure to comply with instructions. CNB shall not have any liability to Client or a Lender for losses or liabilities resulting from any failure to comply with instructions relating to the Account or delay in complying with such instructions if the failure or delay is due to circumstances beyond CNB's reasonable control. Without limiting the foregoing, in no event

shall CNB have any liability for indirect, punitive, exemplary or consequential loss or damages including without limitation lost profits, whether or not any claim for such loss or such damages is based on tort or contract or CNB knew or should have known the likelihood of such damages in any circumstances. As used herein, "Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the laws of, or are in fact closed in, the State of New York.

3.2 CNB may rely on notices and communications it reasonably believes in good faith to be genuine and given by the appropriate party.

4. Priority of Lenders' Security Interests; Rights Reserved by CNB

4.1 CNB agrees that all of its present and future rights against the Account are subordinate to Lenders' security interests therein; provided, however, that each Lender agrees that nothing herein subordinates or waives, and that CNB expressly reserves, all of its present and future rights (whether described as rights of setoff, banker's lien, chargeback or otherwise, and whether available to CNB under the law or under any other agreement between CNB and Client concerning the Account or otherwise) with respect to (a) items deposited to the Account and returned unpaid, whether for insufficient funds or for any other reason, and without regard to the timeliness of return of any such item; (b) overdrafts on the Account; (c) automated clearing house entries; (d) claims of breach of the Uniformed Commercial Code's transfer or presentment warranties made against CNB in connection with items deposited to the Account; and (e) CNB's usual and customary charges for services rendered in connection with the Account, to the extent that, in each case, Client has not separately paid or reimbursed CNB therefor; provided, further, that CNB shall provide notice to Lenders of its exercise of any right of setoff against the Account promptly following such exercise.

5. Statements

5.1 In addition to the original deposit account statement for the Account which is provided to Client, CNB is authorized to and shall send a duplicate statement to each Lender. Client hereby authorizes CNB to provide any additional information relating to the Account to a Lender upon such Lender's request without Client's further consent.

6. Notice of Adverse Claims; Record of Security Interest

6.1 CNB represents to Lenders that CNB has not received notice of any lien, encumbrance or other claim to the Account from any other person and has not entered into, and covenants with Lenders that it will not enter into, any agreement with any other person by which CNB is obligated to comply with instructions from such other person as to the disposition of funds from the Account or other dealings with the Account. CNB will use commercially reasonable efforts, subject to applicable law, to promptly notify Lenders if any other person claims that it has a property interest in the Account or seeks to enter into a deposit account control agreement or similar agreement with respect to the Account. CNB agrees that it will not enter into a control agreement with any other party with respect to the Account without the prior written consent of both Lenders.

6.2 CNB further represents and warrants that it has marked its books and records to indicate each Lender's security interest in and lien upon the Account.

7. **Account Renewal.** Upon the maturity, if any, of the Account and upon each subsequent maturity, if any, CNB may act upon the instructions of Client only to the extent such instructions advise CNB on the term of renewal selected by Client, which term shall not be greater than the original term of the Account, and do not contradict any other instruction to CNB from a Lender or the terms hereof.

8. **Returned Items.** Client and Lenders understand and agree that CNB will pay returned items by debiting the Account. Client agrees to pay the amount of any returned item immediately upon demand to the extent that there are not sufficient funds in the Account to cover such amount on the day of the debit. Each Lender agrees that such Lender will pay any such amount that is not paid in full by Client within twenty (20) days after demand on Client by CNB (a copy of which shall be provided by CNB to Lenders promptly after sending), solely up to the amount of any proceeds from the Account received by such Lender under this Agreement; provided, that the amount to be paid by such Lender in the case of each returned item shall not exceed the amount of such returned item.

9. **Costs; Indemnity**

9.1 Client will be responsible for CNB's customary charges and for the repayment of any checks, drafts or other orders for the payment of funds deposited into the Account that are returned unpaid for any reason. Lenders agree that Lenders will pay any such amount that is not paid in full by Client within twenty (20) days after demand on Client by CNB (a copy of which shall be provided by CNB to Lenders promptly after sending), solely up to the amount of any proceeds from the Account received by such Lender under this Agreement; provided, that the amount to be paid by such Lender in the case of each charge or returned item shall not exceed the amount of such charge or returned item.

9.2 Client will indemnify CNB, its officers, directors, employees, and agents against claims, liabilities and expenses arising out of this Agreement (including all fees and costs incurred by CNB in complying with instructions or requests given by either Lender hereunder, and including reasonable out-of-pocket attorneys' fees and disbursements and the reasonable estimate of the allocated costs and expenses of in-house legal counsel and staff), except to the extent the claims, liabilities or expenses are caused by CNB's bad faith, gross negligence, willful misconduct, or breach of this Agreement.

9.3 To the extent not paid in full by Client within twenty (20) days after demand on Client by CNB (a copy of which shall be provided by CNB to Lenders promptly after sending), each Lender will indemnify, solely up to the amount of any proceeds from the Account received by such Lender under this Agreement, CNB, its officers, directors, employees and agents against claims, liabilities, and expenses arising out of CNB's following of any instruction or request from such Lender in connection with this Agreement (including reasonable out-of-pocket attorney's fees and disbursements), except to the extent the claims, liabilities, or expenses are caused by CNB's bad faith, gross negligence, willful misconduct, or breach of this Agreement.

10. **Termination; Survival**

10.1 Both Lenders acting together may terminate this Agreement by written notice to CNB and Client. CNB may terminate this Agreement on forty-five (45) days' prior written notice to Lenders and Client. Client may not terminate this Agreement except with written consent of Lenders and on forty-five (45) days' prior notice to Lenders and CNB.

10.2 Those sections entitled "CNB's Responsibility", "Returned Items", "Costs; Indemnity", and "Attorneys' Fees, Costs and Expenses" will survive termination of this Agreement.

11. **Governing Law.** This Agreement will be governed by the internal law of the State of New York, without regard to principles of conflict of laws.

12. **Entire Agreement.** This Agreement is the entire agreement among the parties regarding the subject matter hereof and supersedes any prior agreements and contemporaneous oral agreements of the parties concerning its subject matter. This Agreement will control over any conflicting agreement between CNB and Client.

13. **Amendments.** No amendment of, or waiver of a right under, this Agreement will be binding unless it is in writing and signed by Client, Lenders and CNB.

14. **Severability.** To the extent a provision of this Agreement is unenforceable, this Agreement will be construed as if the unenforceable provision were omitted.

15. **Successors and Assigns.** The provisions of this Agreement shall be binding upon and inure to the benefit of CNB, Lenders and Client and their respective successors and assigns. Client may not assign this Agreement without the prior written consent of Lenders and CNB. Either Lender may assign this Agreement upon written notice to CNB. CNB may assign this Agreement upon ten (10) days' prior written notice to Lenders and Client.

16. **Notices.** A notice or other communication to a party under this Agreement will be in writing and will be sent to the party's address, facsimile, or email address set forth below or to such other address, facsimile, or email address as the party may notify the other parties.

Adom:

Attention: Jonathan Whitcher

Dekel:

Attention: Jonathan Whitcher

[redacted]

CNB: [redacted]
Attention: Kevin Fitze
[redacted]

with copy to: [redacted]

and copy to: [redacted]

Client: [redacted]
Attention: Aaron Ames
[redacted]

To the extent that CNB is precluded from making demand or giving notice hereunder by reason of the commencement of a bankruptcy or similar proceeding, then such demand or notice shall be deemed to have been made or given at the commencement of such proceeding.

17. **No agency, etc.**

Nothing contained in this Agreement shall create any agency, fiduciary, joint venture or partnership relationship between or among Client, Lenders and CNB.

18. **Counterparts.**

This Agreement may be executed in counterparts, each of which shall be an original, and all of which shall constitute one and the same agreement. A facsimile or electronic transmission of a duly executed counterpart of this Agreement shall be valid, in all respects, as an original.

19. **Waiver of Jury Trial. To the extent not prohibited by applicable law which cannot be waived, each party hereto absolutely, irrevocably and unconditionally 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 Agreement or the subject matter hereof, in each case whether now existing or hereafter arising or 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 the other parties have relied, are relying and will rely in entering into this Agreement. The parties hereto may file an original counterpart or a copy of this section with any court as written evidence of the consent of such other party to the waiver of its rights to trial by jury.

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The foregoing is hereby acknowledged and agreed to, effective as of the date set forth above.

CLIENT: **WildBrain Holdings LLC**, a Delaware limited liability company

By:_____

Name:
Title:

LENDER: **Adom Partners, L.P.**, a Delaware limited partnership, by its general partner, Fine Capital Management, L.L.C.

By:_____

Name:
Title:

LENDER: **Dekel Partners, L.P.**, a Delaware limited partnership, by its general partner, Fine Capital Management, L.L.C.

By:_____

Name:
Title:

CNB: **City National Bank,** a national banking association

By:_____

Its:_____

EXHIBIT E

FORM OF WARRANT

See attached

FORM OF WARRANT CERTIFICATE

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO WILDBRAIN LTD. (THE "CORPORATION"), (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT, (C) IN COMPLIANCE WITH (1) RULE 144A UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, OR (2) RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND, IN EACH CASE, IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT IN THE CASE OF TRANSFERS PURSUANT TO (C)(2) OR (D) ABOVE, A LEGAL OPINION REASONABLY SATISFACTORY TO THE CORPORATION TO SUCH EFFECT MUST BE FIRST PROVIDED. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES REPRESENTED HEREBY MUST NOT TRADE SUCH SECURITIES BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER [●].

WILDBRAIN LTD.

WARRANT TO PURCHASE VARIABLE VOTING SHARES

No.: 00[●] Date of Issuance: [●], 2020

THIS CERTIFIES that, for value received, [●], is the registered holder (the "**Holder**") of a Variable Voting Share (as hereinafter defined) purchase warrant which entitles the Holder, subject to the terms and conditions set forth in this certificate (this "**Warrant Certificate**"), to purchase from **WILDBRAIN LTD.**, a corporation existing under the laws of Canada (the "**Corporation**"), [●] Variable Voting Shares of the Corporation, subject to the Exchange Cap (as hereinafter defined), as determined in accordance with the terms set forth herein at a price equal to CAD$1.45 per Warrant Share (as hereinafter defined) (the "**Exercise Price**"), subject to adjustment as provided below, at any time from the date hereof up to the Expiry Date (as hereinafter defined).

This Warrant Certificate is issued pursuant to the terms of a securities purchase agreement dated as of [●], 2020 between the Corporation, [●] and the Holder (the "**Purchase Agreement**"). For the purposes of this Warrant Certificate, unless the context otherwise requires, any capitalized terms used herein that are not otherwise defined herein have the meanings given to them in the Purchase Agreement or the Debentures, as the context so requires.

1. **Definitions**

For the purposes of this Warrant Certificate, the following expressions will have the following meanings and grammatical variations thereof shall have corresponding meanings:

"**Affiliate**" has the meaning given to it in the Securities Act (Ontario), as amended;

"**Associate**" has the meaning give to it in the Discretionary Services Regulations issued under the Broadcasting Act (Canada);

"**Board**" means the Board of Directors of the Corporation.

"**Business Days**" means any day, other than a Saturday or a Sunday, upon which banks are open for business in the cities of: Toronto, Ontario; Halifax, Nova Scotia; and New York, New York;

"**Capital Reorganization**" means a reclassification or change of Shares into other shares or a reorganization of the Corporation or a consolidation or merger or amalgamation of, or arrangement involving, the Corporation with or into another Person that results in any reclassification of Shares or a change of Shares into other shares or there is a transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another person;

"**Common Voting Shares**" means the common voting shares in the capital of the Corporation or any other shares in the share capital of the Corporation into which such class of shares is reclassified or reconstituted;

"**Current Market Price**" means at any date the volume weighted average sale price per share for the Shares for the 20 day trading period ending on and including five days prior the applicable date on the TSX or such other stock exchange or over-the-counter market as the Shares may then be listed or quoted (as the case may be) that has the greatest volume of trading for the prior 12 months;

"**Debentures**" has the meaning given to it in the Purchase Agreement;

"**Exchange Cap**" means 17 million Variable Voting Shares, adjusted as necessary to give effect to any share splits, share consolidations or other Capital Reorganizations affecting the Shares after the date hereof;

"**Fair Market Value**" has the meaning given to it in Section 5(h);

"**NI 62-104**" means National Instrument 62-104 – Take-Over Bids and Issuer Bids;

"**Person**" means any natural Person, corporation, firm, partnership, joint venture, joint stock company, incorporated or unincorporated association, government, governmental agency or any other entity, whether acting in individual, fiduciary or other capacity;

"**Regulatory Cap**" means the number of Shares, that if issued to the Holder or any of its Affiliates or Associates, would result in the Holder and its Affiliates or Associates holding in the aggregate, sufficient Shares to exceed any applicable thresholds requiring approval pursuant to the Broadcasting Act (Canada) or Competition Act (Canada) and the associated regulations and

directions including, in particular: (i) the Holder and its Affiliates holding, in the aggregate, more than 20% of the votes attached to all of the Corporation's voting shares for the purpose of the Competition Act (Canada); or (ii) the Holder and its Associates controlling, in the aggregate, 30% or more of the votes attached to all of the Corporation's voting shares for the purposes of the Discretionary Services Regulations issued under the Broadcasting Act (Canada); or (iii) the Holder and its Associates owning, in the aggregate (directly and indirectly), 50% or more than 50% of the issued common shares of the Corporation (including its Common Voting Shares and Variable Voting Shares) for the purposes of the Discretionary Services Regulations issued under the Broadcasting Act (Canada);

"**Securities Laws**" means the applicable securities legislation of each of the provinces and territories of Canada and all published regulations, policy statements, orders, rules, instruments, rulings and interpretation notes issued thereunder or in relation thereto, and the applicable rules and policies of the TSX;

"**Shares"** means, collectively, the Common Voting Shares and the Variable Voting Shares;

"**Subsidiary**" means any entity with respect to which a Person (or a Subsidiary thereof) has the power, through the ownership of securities or otherwise, to elect at least a majority of the directors, or similar managing body, or in which such Person owns directly or indirectly 50% or more of the fair market value of the equity of such entity;

"**TSX**" means the Toronto Stock Exchange;

"**Variable Voting Shares**" means the variable voting shares in the capital of the Corporation or any other shares in the share capital of the Corporation into which such class of shares is reclassified or reconstituted;

"**Warrant Shares**" means the Variable Voting Shares issuable or deliverable to the Holder upon exercise of the Warrant; and

"**Warrant**" or "**Warrants**" means the Variable Voting Share purchase warrants of the Corporation entitling the Holder to purchase [●] Variable Voting Shares subject to the terms and conditions hereof.

2. Expiry of Warrant

This Warrant shall expire and be of no further force or effect on that date (the "**Expiry Date**") which is five years after the date of issuance of this Warrant Certificate as set forth above (the "**Date of Issuance**").

3. Payment of Exercise Price

The Exercise Price shall be paid in Canadian dollars in immediately available funds in the form of a wire transfer pursuant to the Corporation's instructions.

4. **Exercise of Warrant**

(a) **Exercise**. Subject to Section 4(c), the rights evidenced by this Warrant Certificate may be exercised by the Holder in whole, or from time to time in part, by delivery of a form of exercise (an "**Exercise Form**") in substantially the form attached hereto as Exhibit 1, properly completed and executed, at the principal office of the Corporation in accordance with the notice provisions as set out herein. In the event that the rights evidenced by this Warrant Certificate are exercised in part, the Corporation shall, contemporaneously with the issuance of the Warrant Shares issuable on the exercise of the portion of this Warrant so exercised, issue to the Holder a certificate on identical terms in respect of that number of Warrant Shares in respect of which the Holder has not exercised the rights evidenced by this Warrant Certificate.

(b) **Issuance of Warrant Shares**. The Corporation shall, as promptly as practicable and, in any event, within three Business Days after it receives a duly executed Exercise Form and payment of the Exercise Price for the number of Warrant Shares specified in the Exercise Form (the "**Exercise Date**"), issue such number of Warrant Shares as fully paid and non-assessable Variable Voting Shares and cause its transfer agent to issue and deliver to the Holder, registered in such name or names as the Holder may direct, subject to the terms herein, or if no such direction has been given, in the name of the Holder, a certificate or certificates for the number of Warrant Shares specified in the Exercise Form, provided however that if the Variable Voting Shares are held through the Book-Entry Only System (as hereinafter defined), then the Holder shall provide instructions with respect to Warrant Shares specified in the Exercise Form regarding the Depository (as hereinafter defined) participant through whom such Holder intends to hold such Warrant Shares in such case the Holder will not have the right to receive share certificates representing its ownership of the Warrant Shares. To the extent permitted by law, such exercise shall be deemed to have been effected as of the close of business on the Exercise Date, and at such time the person or persons in whose name or names any certificate or certificates for Warrant Shares shall then be issuable upon such exercise shall be deemed to have become the holder or holders of record of such Warrant Shares represented thereby. "**Book-Entry Only System**" means the record book-entry only securities transfer and pledge system administered by the Depository in accordance with its operating rules and procedures in force from time to time or any successor system thereof and "**Depository**" means CDS Clearing and Depository Services Inc. and its nominees or any successor carrying on the business as a depository, which is approved by the Corporation.

(c) **Limitations on Exercise**. The Holder's right to exercise the Warrant is subject to the following limitations:

(i) Until Shareholder Approval has been obtained, the aggregate number of Variable Voting Shares that may be issued upon (i) the exercise, in whole or in part, of this Warrant and (ii) the exchange, redemption, or maturity of

the Debentures, or in satisfaction of accrued and unpaid interest thereon shall not exceed the Exchange Cap.

(ii) The aggregate number of Variable Voting Shares that may be issued upon (i) the exercise, in whole or in part, of this Warrant and (ii) the exchange, redemption, or maturity of the Debentures, or in satisfaction of accrued and unpaid interest thereon, shall in any event not exceed the Regulatory Cap.

(d) **Fractional Shares**. No fractional Warrant Shares shall be issued upon exercise of a Warrant. If any fractional interest in a Warrant Share would, except for the provisions of the first sentence of this Section 4(c), be deliverable upon the exercise of a Warrant, the Corporation shall round up to the nearest whole number of Variable Voting Shares.

5. **Adjustment of Warrant**

(a) **Share Reorganization**. If and whenever at any time prior to the Time of Expiry (as hereinafter defined), the Corporation shall:

(i) issue any of its securities to all or substantially all holders of the Shares by way of a stock dividend or interest or distributions;

(ii) subdivide or redivide its outstanding Shares into a greater number of Shares; or

(iii) reduce, combine or consolidate its outstanding Shares into a smaller number of Shares,

(any of such events being herein called a "**Share Reorganization**"), then the number of Variable Voting Shares which may be acquired by the Holder pursuant to the Warrant will be adjusted effective as of the effective time of the Share Reorganization referred to in (ii) or (iii) above or after the record date at which holders of Shares are determined for the purposes of the Share Reorganization referred to in (i) above, as the case may be, to a number which is the product of (1) the number of Variable Voting Shares which may be acquired by the Holder pursuant to the Warrant as applicable and (2) a fraction:

(I) the numerator of which is the number of Shares outstanding immediately after giving effect to such Share Reorganization; and

(II) the denominator of which is the number of Shares outstanding prior to giving effect to the Share Reorganization;

Any adjustment to the Shares pursuant to this Section 5(a) shall result in a corresponding adjustment to the Exercise Price such that the Exercise Price shall be appropriately decreased or increased, as applicable, in proportion to which the

number of Shares outstanding before such Share Reorganization bears to the number of Shares outstanding after such Share Reorganization.

(b) **Special Distribution**. If and whenever at any time prior to the Time of Expiry the Corporation issues or distributes to all or substantially all holders of Shares, (i) securities of any kind, (ii) evidences of indebtedness, or (iii) any other assets (in each case, the "**Distributed Property**") and, in any of those cases, the issuance or distribution does not constitute a Share Reorganization (any of such events being herein called a "**Special Distribution**"), then the Exercise Price will automatically be adjusted as of the record date for such issuance or distribution so that it will equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction:

(i) the numerator of which will be the number of Shares outstanding on the record date multiplied by the Current Market Price on the record date, less the fair market value (as determined by the Board acting reasonably and in good faith) of the Special Distribution; and

(ii) the denominator of which will be the number of Shares outstanding on the record date multiplied by such Current Market Price.

Such adjustment shall be made successively whenever such a record date is fixed.

For any Special Distribution that may result in the issuance of additional Shares, any adjustment to the Exercise Price pursuant to this Section shall result in a corresponding adjustment to the number of Warrant Shares purchasable pursuant to this Warrant Certificate such that such number of Warrant Shares shall be appropriately adjusted in proportion to which the Exercise Price before such adjustment bears to the Exercise Price after such adjustment. To the extent that such Special Distribution is not so made, or any such securities are not exercised prior to the expiration thereof, the Exercise Price and the number of Warrant Shares purchasable pursuant to the Warrants evidenced hereby shall then be readjusted to the Exercise Price and the number of Shares which would then be in effect if such record date had not been fixed or if such expired securities had not been issued.

(c) **Capital Reorganization**. If and whenever at any time prior to the Time of Expiry, there is a Capital Reorganization then, other than with respect to a Share Reorganization, concurrently with the effectiveness of such Capital Reorganization, this Warrant shall be deemed to be exercisable for, in lieu of the Warrant Shares issuable on the exercise of this Warrant immediately prior to the effectiveness of such Capital Reorganization, the aggregate number of shares, other securities or other property, including cash, to which the Holder would have been entitled upon the consummation of such Capital Reorganization if the Holder had exercised the rights represented by this Warrant immediately prior thereto, subject to adjustments (subsequent to such Capital Reorganization nearly equivalent as possible to the adjustments provided herein and the rights and privileges that would otherwise attach to this Warrant and the Warrant Shares.

(d) **Other Adjustments.** In the event that the Corporation shall take any action affecting the Warrant Shares, and fail to make an adjustment that would fairly protect the purchase rights represented by this Warrant in accordance with the essential intent and principle of this Warrant, the kind and amount of securities issuable hereunder shall, with the written consent of the Holder, be adjusted in such manner as is equitable in the circumstances, and the Corporation shall take all such steps as are necessary or desirable to make any such adjustment effective. Any adjustment made pursuant to this Section 5(d) is subject to prior approval from the TSX.

(e) **Record Date.** If the Corporation sets a record date to determine holders of Shares for the purpose of entitling such holders to receive any dividend or distribution or any subscription or purchase rights and shall thereafter and before the distribution to such holders of any such dividend, distribution or subscription or purchase rights legally abandon its plan to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the Exercise Price or the number of Variable Voting Shares purchasable under the Warrants shall be required by reason of the setting of such record date and, to the extent any adjustment was made, the Exercise Price or the number of Variable Voting Shares purchasable under the Warrants shall be readjusted.

(f) **Carry Over of Adjustments.** No adjustment of the Exercise Price shall be made if the amount of such adjustment shall be less than 1% of the Exercise Price in effect immediately prior to the event giving rise to the adjustment, provided, however, that in such case any adjustment that would otherwise be required then to be made shall be carried forward and shall be made at the time of and together with the next subsequent adjustment which, together with any adjustment so carried forward, shall amount to at least 1% of the Exercise Price.

(g) **Notice of Adjustment.** Upon the happening of any event contemplated by this Section 5, then and in each such case the Corporation shall give written notice thereof to the Holder, which notice shall state the nature of such adjustment and shall set forth in reasonable detail the method of adjustment and the facts upon which such adjustment is based.

(h) **Fair Market Value.** For the purposes of any computation hereunder, the "Fair Market Value" of the Shares at any date shall be the volume weighted average sale price per share for the Shares for the 20 day trading period ending on and including five days prior the applicable date on the TSX or such other stock exchange or over-the-counter market as the Shares may then be listed or quoted (as the case may be) that has the greatest volume of trading for the prior 12 months, or, if the shares in respect of which a determination of Fair Market Value is being made are not listed on any stock exchange or quoted for trading by a recognized over-the-counter market, the Fair Market Value shall be determined by the firm of independent chartered accountants retained to audit the financial statements of the Corporation, which determination shall be conclusive. The weighted average sale price shall be determined by dividing the aggregate sale price of all such shares sold on the said

exchange or over-the-counter market (as the case may be) during the said 10 consecutive trading days by the total number of such shares so sold.

6. **Notice of Record Date**

In the event of any taking by the Corporation of a record of the holders of Shares for the purposes of determining the holders thereof who are entitled to receive any dividend or other distribution, the Corporation shall deliver to the Holder at least 10 days prior to such record date a notice specifying the date on which any such record is to be taken for the purpose of such dividend or distribution.

7. **Shares to be Reserved**

The Corporation covenants and agrees that all Warrant Shares shall, upon issuance, be duly authorized and issued as fully paid and non-assessable. The Corporation shall use commercially reasonable efforts and take all necessary actions as are within its power: (i) to ensure that all Warrant Shares may be issued without violation of any applicable requirements of any exchange upon which the shares of the Corporation may be listed or in respect of which the shares are qualified for unlisted trading privileges; and (ii) to ensure that all such Warrant Shares may be issued without violation of any applicable law.

8. **No Issue Tax**

The issuance of certificates for Warrant Shares upon the exercise of this Warrant shall be made without charge to the Holder for any issuance tax in respect thereto, provided that the Corporation shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than that of the Holder.

9. **Transfer of Warrant**

(a) The Holder may not, without the written approval of the Corporation, such approval not to be unreasonably withheld, conditioned or delayed, Transfer this Warrant in whole or part to any person that is not an Affiliate of Fine Capital Partners, L.P. (an Affiliate of Fine Capital Partners, L.P., includes, for greater certainty, an investment fund managed by Fine Capital Partners, L.P.) (a "**Permitted Transferee**"), and such Transfer may not be permitted unless such transferee has executed and delivered to the Corporation an agreement to be bound by the terms of this Warrant and the relevant provisions of the Purchase Agreement.

(b) Notwithstanding Section 9(a), the Holder may Transfer this Warrant to a Permitted Transferee. The Holder shall give notice of any such Transfer of this Warrant to a Permitted Transferee within 10 Business Days of the effective date of the Transfer.

(c) The terms and conditions of this Warrant shall enure to the benefit of, and be binding upon, the Corporation and the Holder and their respective successors and permitted assigns, including, without limitation any Permitted Transferee as contemplated above.

(d) For the purposes of this Warrant, "**Transfer**" includes any sale, exchange, assignment, gift, bequest, disposition, mortgage, charge, pledge, encumbrance, grant of security interest or other arrangement by which possession, legal title or beneficial ownership passes from one person to another, or to the same person in a different capacity, whether or not voluntary and whether or not for value, and any agreement to effect any of the foregoing.

10. **Replacement**

Upon (i) a transfer pursuant to Section 9(a) or (ii) receipt of evidence satisfactory to the Corporation of the loss, theft, destruction or mutilation of this Warrant Certificate and, if requested by the Corporation, upon delivery of an indemnity satisfactory to the Corporation (or, in the case of mutilation, upon surrender of this Warrant Certificate), the Corporation shall issue to the Holder a replacement certificate (containing the same terms and conditions as this Warrant Certificate).

11. **Time of Expiry**

This Warrant shall expire and all rights to purchase the Warrant Shares hereunder shall cease and become null and void at 5:00 p.m. (Toronto time) on the Expiry Date (the "**Time of Expiry**").

12. **Covenants**

The Corporation hereby covenants and agrees:

(a) that until the Time of Expiry, while the Warrants (or any remaining portion thereof) shall be outstanding, the Corporation shall use its commercially reasonably efforts to not take any action which would reasonably be expected to result in the delisting or suspension of the Shares on or from any securities exchange, market or trading or quotation facility on which the Shares are now or are then listed or quoted, including without limitation the TSX, unless (i) the Shares are, at the time of such delisting or suspension, listed or posted for trading on another nationally recognized stock exchange or market in Canada, the United States or the United Kingdom or (ii) the Corporation is acquired pursuant to a take-over bid, amalgamation, arrangement or other similar transaction and the Corporation shall comply with the rules and regulations thereof;

(b) that until the Time of Expiry, while the Warrants (or any remaining portion thereof) shall be outstanding, the Corporation shall use its commercially reasonable efforts to maintain its status as a "reporting issuer" in each of the provinces of Canada unless the Corporation is acquired pursuant to a take-over bid, amalgamation, arrangement or other similar transaction and the Corporation shall comply with all applicable Securities Laws;

(c) that until the Time of Expiry, while the Warrants (or any remaining portion thereof) shall be outstanding, the Corporation shall, and shall cause each Subsidiary of the Corporation to, preserve and maintain its legal existence in good standing and shall qualify and remain duly qualified to carry on business and own property in each

jurisdiction in which failure to maintain such qualification would have a Material Adverse Effect;

(d) that the Corporation shall reserve for issuance and will, at all times while any Warrants are outstanding, keep available, free from pre-emptive and other rights granted by the Corporation, such number of Variable Voting Shares as are deliverable upon the exercise of the Warrant pursuant to the terms of the Warrant;

(e) that any Variable Voting Shares deliverable upon an exercise of the Warrant will be duly authorized and validly issued as fully paid and non-assessable, free and clear of any liens, claims, rights or encumbrances, other than those arising under law as a result of the Holder thereof;

(f) that it shall, and shall cause each Subsidiary of the Corporation to, conduct its business in such a manner so as to comply in all material respects with all applicable laws;

(g) that the Corporation shall not take part in any consolidation, plan of arrangement, amalgamation, merger, winding-up, dissolution, capital or corporate reorganization or similar proceeding or arrangement, unless (i) the corporation formed by or surviving any such proceeding or arrangement is a corporation incorporated under the original jurisdiction of formation, the laws of the United States (such corporation being herein referred to as the "**Successor Entity**"), (ii) the Successor Entity expressly assumes all the Corporation's obligations under this Warrant pursuant to an instrument in form and substance satisfactory to the Holder, acting reasonably, (iii) the provisions of hereof, as applicable, have been complied with; and (iv) the Successor Entity delivers to the Holder an officer's certificate, in form and substance reasonably satisfactory to the Holder, acting reasonably, with respect to the instrument delivered pursuant to clause (ii) above; and

(h) that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, all other acts, deeds and assurances as may be reasonably required to carry out and effect the provisions of this Warrant Certificate.

13. **Notice**

Any notice, request or other communication required or permitted to be given hereunder by either the Corporation or the Holder to the other of them shall be in writing and shall be given, made or communicated by personally delivering the same or by email or by registered or certified mail, first-class postage fees prepaid, return receipt requested, addressed to the Corporation or the Holder, as the case may be, at the respective address listed below or at such other address as may be notified in writing by such respective party:

if to the Corporation, at:

[redacted]

Attn.: Aaron Ames

[redacted]

with a copy to

[redacted]

Attn: Michael Partridge

[redacted]

and if to the Holder, at:

[●]

[redacted]

Attn: Jonathan Whitcher

[redacted]

with a copy to

[redacted]

Attn: Robert Murphy

[redacted]

14. **Governing Law**

The laws of the Province of Ontario, without regard to the conflict of laws principles of such jurisdiction, and the laws of Canada applicable therein shall govern this Warrant. Each of the Corporation and the Holder irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Ontario, the courts of the State of New York, or the United States Courts located in the Borough of Manhattan in New York City over any action or proceeding arising out of or relating to this Warrant.

15. **Rights and Obligations Survive Exercise of Warrant**

For greater certainty, the rights and obligations of the Corporation and of the Holder of this Warrant shall survive the exercise of this Warrant, as applicable.

16. **Amendments and Waivers**

No modification, variation, amendment or termination by mutual consent of this Agreement and no waiver of the performance of any of the responsibilities of any of the parties shall be effected unless such action is taken in writing and is signed by each of the parties. No amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by each of the parties. No waiver of any breach of any provision of this Agreement shall be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, shall be limited to the specific breach waived.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF each of the Corporation and the Holder has caused this Warrant Certificate to be signed by its duly authorized officer as of the Date of Issuance.

DATED as of [●], 2020.

WILDBRAIN LTD.

By: _____
Name:
Title:

[●]

By: _____
Name:
Title:

EXHIBIT 1

EXERCISE FORM

The undersigned hereby irrevocably elects to exercise the number of Warrants set out below for the number of Variable Voting Shares (or other property or securities subject thereto) as set forth below:

(a) Number of Warrants to be Exercised _____

(b) Number of Shares to be Acquired _____

(c) Exercise Price per Variable Voting Share _____

(d) Aggregate Purchase Price **[(b) multiplied by (c)]** _____

and hereby tenders cash for such aggregate purchase price, and directs that the Variable Voting Shares be registered and a certificate (or, if available and requested by the Holder, a direct registration system advice evidencing a non-certificated registered position) therefor to be issued as directed below.

[Remainder of Page Intentionally Left Blank]

DATED as of _____.

[HOLDER]

By: _____
Name:
Title:

Direction as to Registration _____

Name of Registered Holder: _____

Address of Registered Holder: _____

_____

_____

_____

Or, if requested by the Holder, the direct registration system advice evidencing a non-certificated registered position as set out below:

Name and Address of Registered Holder	Beneficial Holder/ Deposit ID #	CDS Participant Name	CDS FINS Number / CUID	CDS Participant Contact

7060548

EXHIBIT F

FORM OF INTERCREDITOR AGREEMENT

See attached

7060001

Intercreditor Agreement

This Intercreditor Agreement is made as of June 24, 2020 by and among Adom Partners, L.P., a Delaware limited partnership (together with its successors, "**Adom**"), Dekel Partners, L.P., a Delaware limited partnership (together with its successors, "**Dekel**", and together with Adom, the "**Investors**" and each an "**Investor**"), and Wildbrain Holdings LLC, a Delaware limited liability company (the "**Issuer**").

WHEREAS, reference is made to the Securities Purchase Agreement dated as of June 24, 2020 (as amended, modified, supplemented, or restated and in effect from time to time, the "**Securities Purchase Agreement**") by and among the Issuer, WildBrain Ltd., a Canadian corporation (the "**Parent**"), and the Investors;

WHEREAS, the Investors have agreed to purchase debentures issued by the Issuer (the "**Debentures**" and each a "**Debenture**") pursuant to, and upon the terms and subject to the conditions specified in, the Securities Purchase Agreement;

WHEREAS, pursuant to a Pledge and Security Agreement dated as of the date hereof (as amended, modified, supplemented, or restated and in effect from time to time, the "**Adom Security Agreement**") by the Issuer in favor of Adom, all of the Issuer's obligations to Adom under the Securities Purchase Agreement and the Debentures are secured by liens on and security interests in substantially all of the now existing and hereafter acquired personal property assets of the Issuer (such assets, the "**Collateral**"); and

WHEREAS, pursuant to a Pledge and Security Agreement dated as of the date hereof (as amended, modified, supplemented, or restated and in effect from time to time, the "**Dekel Security Agreement**", and together with the Adom Security Agreement, the "**Security Agreements**" and each a "**Security Agreement**") by the Issuer in favor of Dekel, all of the Issuer's obligations to Dekel under the Securities Purchase Agreement and the Debentures are secured by liens on and security interests in the Collateral.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions and Interpretation.

1.1 Definitions. The following terms shall have the following meanings in this Agreement. All other terms not defined herein shall have the meanings ascribed to them in the Securities Purchase Agreement. All terms defined in the UCC, unless otherwise defined herein, shall have the meanings set forth therein.

"**Agreement**" means this Intercreditor Agreement, as amended, restated, renewed, extended, supplemented, or otherwise modified from time to time.

"**Bankruptcy Code**" means Title 11 of the United States Code, as amended from time to time, or any similar federal or state law for the relief of debtors.

"**Collateral**" has the meaning set forth in the Recitals.

"**Discharge**" means, with respect to any Collateral and any Pari Passu Obligations, the date on which (i) such Pari Passu Obligations have been paid in full in cash (other than contingent obligations or indemnification obligations for which no underlying claim has been asserted), and (ii) all commitments under such Pari Passu Obligations have terminated. The term "Discharged" shall have a corresponding meaning.

"**Insolvency Proceeding**" means any proceeding in respect of bankruptcy, insolvency, winding up, receivership, dissolution, or assignment for the benefit of creditors, for each of the foregoing events whether under the Bankruptcy Code or any similar federal, state, or foreign bankruptcy, insolvency, reorganization, receivership, or similar law.

"**Lien**" means any mortgage, pledge, hypothecation, assignment (as security), deposit arrangement, encumbrance, lien (statutory or other), charge, or other security interest, or any preference, priority, or other security agreement or preferential arrangement of any kind or nature whatsoever having substantially the same economic effect as any of the foregoing (including any conditional sale or other title retention agreement and any capital lease).

"**Pari Passu Obligations**" means, collectively, (i) the Secured Obligations (as defined in the Adom Security Agreement) and (ii) the Secured Obligations (as defined in the Dekel Security Agreement).

"**Person**" means any individual, corporation, limited liability company, trust, joint venture, association, company, limited or general partnership, unincorporated organization, governmental authority, or other entity.

"**Possessory Collateral**" means any Collateral in the possession and/or control of any Investor (or its agents or bailees), to the extent that possession and/or control thereof perfects a Lien thereon under the Uniform Commercial Code of any jurisdiction. Possessory Collateral includes, without limitation, any Certificated Securities, Promissory Notes, Instruments, and Chattel Paper, in each case, delivered to or in the possession of and/or under the control of any Investor under the terms of the applicable Security Agreement.

"**Secured Credit Documents**" means the Security Agreements, the Securities Purchase Agreement and the Debentures.

"**UCC**" means the Uniform Commercial Code as in effect in the State of New York from time to time.

2. Lien Priorities and Security Interests.

2.1 Priority of Claims.

(a) Anything contained herein or in any of the Security Agreements to the contrary notwithstanding, if an Event of Default has occurred and is continuing, and any Investor is taking action to enforce rights in respect of the Collateral, or any

distribution is made in respect of the Collateral in any Insolvency Proceeding of the Issuer (including any adequate protection payment), the proceeds of any sale, collection or other liquidation of any such Collateral by the applicable Investor on account of such enforcement of rights or remedies or distribution in respect thereof in any Insolvency Proceeding with respect to such Collateral (subject, in the case of any such payment or distribution, to the sentence immediately following) (all proceeds of any sale, collection or other liquidation of any Collateral and all such payments and proceeds of any such payment or distribution being collectively referred to as "**Proceeds**") shall be applied (i) FIRST, to the payment in full in cash of the Pari Passu Obligations of each Investor on a ratable basis, with such Proceeds to be applied to the Pari Passu Obligations of a given Investor in accordance with the terms of the applicable Security Agreement and (ii) SECOND, after Discharge of all Pari Passu Obligations, to the Issuer or its successors or assigns, as their interests may appear, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct. If, despite the provisions of this Section 2.1(a), any Investor shall receive any payment or other recovery in excess of its portion of payments on account of the Pari Passu Obligations to which it is then entitled in accordance with this Section 2.1(a), such Investor shall hold such payment or recovery in trust for the benefit of the other Investor in accordance with Section 2.3(b) for distribution in accordance with this Section 2.1(a). Notwithstanding the foregoing, to the extent that any Investor incurs costs or expenses in connection with the enforcement of its rights in respect of the Collateral (whether in any Insolvency Proceeding of the Issuer or otherwise), such costs shall be reimbursed out of the Proceeds on a non-ratable basis.

(b) Notwithstanding the date, time, method, manner or order of grant, attachment or perfection of any Liens securing any Pari Passu Obligations granted on the Collateral and notwithstanding any provision of the Uniform Commercial Code of any jurisdiction, or any other applicable law or the Secured Credit Documents or any defect or deficiencies in the Liens securing the Pari Passu Obligations of any Investor or any other circumstance whatsoever, each Investor hereby agrees that the Liens securing the Pari Passu Obligations on any Collateral shall be of equal priority.

2.2 Actions with Respect to Collateral; Prohibition on Contesting Liens.

(a) Any Investor acting alone may act or refrain from acting with respect to any Collateral, and may commence any judicial or non-judicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of, exercise any right, remedy or power with respect to, or otherwise take any action to enforce its security interest in or realize upon, or take any other action available to it in respect of, any Collateral, whether under the applicable Security Agreement, applicable law or otherwise.

(b) Each of the Investors agrees that it will not (and hereby waives any right to) question or contest or support any other Person in contesting, in any proceeding (including any Insolvency Proceeding), the perfection, priority, validity, attachment or enforceability of a Lien held by or on behalf of the other Investor in all or any part of the Collateral, or the provisions of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair the rights of any Investor to enforce this Agreement.

2.3 No Interference; Payment Over.

(a) Each of the Investors agrees that (i) it will not challenge or question in any proceeding the validity or enforceability of any Pari Passu Obligations or any Security Agreement or the validity, attachment, perfection or priority of any Lien under any Security Agreement or the validity or enforceability of the priorities, rights or duties established by or other provisions of this Agreement; (ii) it will not take or cause to be taken any action the purpose or intent of which is, or could be, to interfere, hinder or delay, in any manner, whether by judicial proceedings or otherwise, any sale, transfer or other disposition of the Collateral by an Investor, (iii) it shall have no right to (A) direct the other Investor to exercise any right, remedy or power with respect to any Collateral or (B) consent to the exercise by the other Investor of any right, remedy or power with respect to any Collateral, (iv) it will not institute any suit or assert in any suit, bankruptcy, insolvency or other proceeding any claim against the other Investor seeking damages from or other relief by way of specific performance, instructions or otherwise with respect to any Collateral, and (v) it will not attempt, directly or indirectly, whether by judicial proceedings or otherwise, to challenge the enforceability of any provision of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair the rights of any Investor to enforce this Agreement.

(b) Each Investor agrees that if it shall obtain possession of any Collateral or shall realize any proceeds or payment in respect of any such Collateral, pursuant to the applicable Security Agreement or by the exercise of any rights available to it under applicable law or in any Insolvency Proceeding or through any other exercise of remedies, at any time prior to the Discharge of the Pari Passu Obligations of the other Investor, then it shall hold such Collateral, proceeds or payment in trust for the other Investor and promptly distribute such Collateral, proceeds or payment, as the case may be, to the other Investor in accordance with the provisions of Section 2.1 hereof.

2.4 Release of Liens.

(a) If, at any time an Investor forecloses upon or otherwise exercise remedies against any Collateral resulting in a sale or disposition thereof, then (whether or not any Insolvency Proceeding is pending at the time), the Liens in favor of the other Investor upon such Collateral will automatically be released and discharged as and when, but only to the extent, such Liens of such foreclosing Investor on such Collateral are released and discharged; provided that (i) the Liens in favor of each

Investor secured by such Collateral attach to any such Proceeds of such sale or disposition with the same priority vis-à-vis the other Investor as existed prior to the commencement of such sale or other disposition, and any such Liens shall remain subject to the terms of this Agreement until application thereof pursuant to Section 2.1 and (ii) any proceeds of any Collateral realized therefrom shall be applied pursuant to Section 2.1.

(b) Each Investor agrees to execute and deliver (at the sole cost and expense of the Issuer) all such authorizations and other instruments as shall reasonably be requested by the other Investor to evidence and confirm any release of Collateral provided for in this Section 2.4.

(c) Each Investor hereby irrevocably appoints the other Investor and any officer or agent of such Investor, which appointment is coupled with an interest with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such appointing Investor, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary to evidence and confirm any release of Collateral provided for in this Section 2.4.

2.5 Certain Agreements with Respect to Bankruptcy or Insolvency Proceedings. This Agreement shall continue in full force and effect notwithstanding the commencement of any Insolvency Proceeding. The parties hereto acknowledge that the provisions of this Agreement are intended to be enforceable as contemplated by Section 510(a) of the Bankruptcy Code. All references herein to the Issuer shall include the Issuer as a debtor-in-possession and any receiver or trustee for the Issuer.

2.6 Reinstatement. In the event that any of the Pari Passu Obligations shall be paid in full and such payment or any part thereof shall subsequently, for whatever reason (including an order or judgment for disgorgement or avoidance of a preference, fraudulent transfer or other avoidance action under the Bankruptcy Code, or any similar law, or the settlement of any claim in respect thereof), be required to be returned or repaid, the terms and conditions of this Section 2 shall be fully applicable thereto until all such Pari Passu Obligations shall again have been paid in full in cash.

2.7 Insurance. As between the Investors, any Investor acting alone shall have the right to adjust or settle any insurance policy or claim covering or constituting Collateral in the event of any loss thereunder and to approve any award granted in any condemnation, expropriation or similar proceeding affecting the Collateral.

2.8 Refinancings, etc. The Pari Passu Obligations may, subject to the limitations set forth in the then extant Secured Credit Documents, be increased, extended, renewed, replaced, restated, supplemented, restructured, repaid, refunded, refinanced (in whole or in part) or otherwise amended or modified from time to time, in each case, without notice to, or the consent (except to the extent a consent is otherwise required to permit the refinancing transaction under any Secured Credit Document) of any other Investor, all without affecting

the priorities provided for in Section 2.1(a) or the other provisions hereof; provided that the holders of any such refinancing indebtedness shall have executed a joinder to this Agreement in a form reasonably acceptable to the other Investor.

2.9 Possessory Collateral

(a) The Possessory Collateral shall be delivered to an Investor as mutually agreed by the Investors, and such Investor agrees to hold any Collateral constituting Possessory Collateral in its possession or control (or in the possession or control of its agents or bailees) as gratuitous bailee and non-fiduciary agent for the benefit of the other Investor and any assignee solely for the purpose of perfecting the security interest granted in such Possessory Collateral, if any, pursuant to the applicable Security Agreement, in each case, subject to the terms and conditions of this Section 2.9.

(b) The duties or responsibilities of the Investor holding such Possessory Collateral shall be limited solely to holding any Collateral constituting Possessory Collateral as gratuitous bailee and non-fiduciary agent for the benefit of the other Investor for purposes of perfecting the Lien held by the Investors thereon.

3. Existence and Amounts of Liens and Obligations

3.1 Determinations with Respect to Amounts of Liens and Obligations. Whenever an Investor shall be required, in connection with the exercise of its rights or the performance of its obligations hereunder, to determine the existence or amount of any Pari Passu Obligations of the other Investor, or the Collateral subject to any Lien securing the Pari Passu Obligations, it may request that such information be furnished to it in writing by the other Investor and shall be entitled to make such determination or not make any determination on the basis of the information so furnished; provided, however, that if such other Investor shall fail to promptly provide the requested information, the requesting Investor shall be entitled to make any such determination by such method as it may, in the exercise of its good faith judgment, determine, including by reliance upon a certificate of the Issuer. Each Investor may rely conclusively, and shall be fully protected in so relying, on any determination made by it in accordance with the provisions of the preceding sentence (or as otherwise directed by a court of competent jurisdiction) and shall have no liability to the Issuer, the other Investor or any other Person as a result of such determination.

4. Authority, Delegation, etc.

4.1 Authority.

(a) Notwithstanding any other provision of this Agreement, nothing herein shall be construed to impose any fiduciary or other similar duty on any Investor to the other Investor or any other Person, regardless of whether an Event of Default has occurred or is continuing, or give any Investor the right to direct any other Investor,

except that each Investor shall be obligated to distribute proceeds of any Collateral in accordance with Section 2.1 hereof.

(b) In furtherance of the foregoing, each Investor acknowledges and agrees that, subject to the other terms of this Agreement, the other Investor shall be entitled to sell, transfer or otherwise dispose of or deal with any Collateral as provided herein and in the applicable Security Agreement, as applicable, without regard to any rights to which the Investor would otherwise be entitled as a result of the Pari Passu Obligations held by such Investor.

4.2 Exculpatory Provisions. Neither Investor shall have any duties or obligations to the other Investor except those expressly set forth herein.

4.3 Delegation of Duties. Each Investor may perform any and all of its duties and exercise its rights and powers hereunder or under the applicable Security Agreement by or through any one or more sub-agents appointed by such Investor. Each Investor and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective affiliates. The exculpatory provisions of this Section 4 shall apply to any such sub-agent and to the affiliates of the Investors and any such sub-agent.

4.4 Non Reliance. Each Investor acknowledges that it has, independently and without reliance upon the other Investor or its affiliates and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and the other Secured Credit Documents. Each Investor also acknowledges that it will, independently and without reliance upon the other Investor or any of its affiliates and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Secured Credit Document or any related agreement or any document furnished hereunder or thereunder.

5. Representations and Warranties.

5.1 Representations and Warranties. Each party hereto hereby represents and warrants to the other parties hereto that as of the date hereof:

(a) such party has the power and authority to enter into, execute, deliver, and carry out the terms of this Agreement, all of which have been duly authorized by all proper and necessary action;

(b) the execution of this Agreement by such party will not violate or conflict with its organizational documents, the Secured Credit Documents to which it is a party, or any law, regulation, or order, or require any consent or approval that has not been obtained; and

(c) this Agreement is the legal, valid, and binding obligation of such party, enforceable against it in accordance with its terms, except as such enforceability may

be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by equitable principles.

6. Miscellaneous.

6.1 Conflict. In the event of any conflict between any term, covenant, or condition of this Agreement and any term, covenant, or condition of the Security Agreements, the provisions of this Agreement shall control and govern.

6.2 Amendments; Modifications. This Agreement constitutes the entire agreement and understanding of the parties relating to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings, whether oral or written, relating to the subject matter hereof. Any modification or waiver of any provision of this Agreement, or any consent to any departure by any party from the terms hereof, shall not be effective in any event unless the same is in writing and signed by the parties hereto, and then such modification, waiver, or consent shall be effective only in the specific instance and for the specific purpose given. Any notice to or demand on any party hereto in any event not specifically required hereunder shall not entitle the party receiving such notice or demand to any other or further notice or demand in the same, similar, or other circumstances unless specifically required hereunder.

6.3 No impairment. No right of an Investor to enforce the provisions hereof shall at any time in any way be prejudiced or impaired by any act taken in good faith, or failure to act, which failure to act is in good faith, by such Investor or by any non-compliance by the Issuer with the terms and provisions and covenants herein. The Investors and the Issuer agree not to take any action to avoid or to seek to avoid the observance and performance of the terms and conditions hereof, and shall at all times in good faith carry out all such terms and conditions.

6.4 Successors and Assigns. This Agreement shall inure to the benefit of, and shall be binding upon, the respective successors and assigns of the Investors and the Issuer.

6.5 Notices.

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by fax or e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

(i) in the case of Adom:

Attention: Jonathan Whitcher
[redacted]

(ii) in the case of Dekel:

[redacted]
Attention: Jonathan Whitcher
[redacted]

(iii) in the case of the Issuer:

[redacted]
Attention: Aaron Ames
[redacted]

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (New York time) at the place of receipt, then on the next following Business Day) or, if mailed, on the third Business Day following the date of mailing; provided, however, that if at the time of mailing or within three Business Days thereafter there is or occurs a labor dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.

(c) Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 6.5.

6.6 Further Assurances. Each party to this Agreement will promptly execute and deliver such further instruments and agreements and do such further acts and things as may be reasonably requested in writing by any other party hereto that may be necessary or desirable in order to effect fully the purposes of this Agreement.

6.7 Headings. The section headings used in this Agreement are for convenience only and shall not affect the interpretation of any of the provisions hereof.

6.8 Counterparts; Integration; Effectiveness; Electronic Execution. This Agreement and any amendments, waivers, consents, or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall

constitute an original, but all taken together shall constitute a single contract. This Agreement constitutes the entire contract among the parties with respect to the subject matter hereof and supersedes all previous agreements and understandings, oral or written, with respect thereto. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement.

6.9 Severability. In the event that any provision of this Agreement is deemed to be invalid, illegal, or unenforceable by reason of the operation of any law or by reason of the interpretation placed thereon by any court or governmental authority, the validity, legality, and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby, and the affected provision shall be modified to the minimum extent permitted by law so as to most fully achieve the intention of this Agreement.

6.10 Specific Performance. Each Investor may demand specific performance of this Agreement. Each Investor and the Issuer each hereby irrevocably waive any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by the other Investor.

6.11 Governing Law; Jurisdiction; Etc.

(a) This Agreement and any claim, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of, or relating to this Agreement and the transactions contemplated hereby shall be governed by, and construed in accordance with, the laws of the State of New York.

(b) Each party hereto irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever, whether in law or equity, or whether in contract or tort or otherwise, against any other party hereto in any way relating to this Agreement or the transactions contemplated hereby, in any forum other than the courts of the State of New York sitting in New York county and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees that any such action, litigation, or proceeding may be brought in any such New York State court or, to the fullest extent permitted by applicable law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation, or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Each party hereto irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party hereto irrevocably consents to the service of process in the manner provided for notices in Section 6.5 and agrees that nothing herein will affect the right of any party hereto to serve process in any other manner permitted by applicable law.

6.12 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY. EACH PARTY HERETO (A) CERTIFIES THAT NO AGENT, ATTORNEY, REPRESENTATIVE, OR ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF LITIGATION, AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

ADOM PARTNERS, L.P. by its general partner, FINE CAPITAL MANAGEMENT, L.L.C.

By_____
Name:
Title:

DEKEL PARTNERS, L.P. by its general partner, FINE CAPITAL MANAGEMENT, L.L.C.

By_____
Name:
Title:

WILDBRAIN HOLDINGS LLC

By_____
Name:
Title: