

## APPENDIX "H"

### SECURITY AGREEMENT

This Security Agreement, made pursuant to Article C513 of the 2020-2023 British Columbia Master Animation Agreement (the "Agreement") dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
(month) (year)

Between: \_\_\_\_\_ (the "Debtor")

and **The Union of B.C. Performers, the British Columbia Branch of the Alliance of Canadian Cinema, Television and Radio Artists ("UBCP/ACTRA")**

Re: \_\_\_\_\_ (the "Production")

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

1. This Security Agreement is entered into between the Debtor and UBCP/ACTRA to secure the performance by the Debtor of all its obligations under Section C of the Agreement. The said obligations include, but shall not be limited to, the obligation to pay performers in the Production any compensation due and payable under the terms of Section C of the Agreement, (*i.e.*, Residual Payments, Use Fees or other payments provided for in Section C of the Agreement).
2. The parties acknowledge and agree to be bound by the terms, conditions and definitions contained in the **Standard Security Terms**, as attached.
3. UBCP/ACTRA specifically acknowledges and agrees that this security interest shall be subject and subordinate to, the security interests of the Parties listed below. If the security interest of any listed party is not registered at the time of the registration of this security interest, UBCP/ACTRA will agree to provide, at no cost to the Debtor, any subordination agreements required.
  - a) \_\_\_\_\_
  - b) \_\_\_\_\_
  - c) \_\_\_\_\_
  - d) \_\_\_\_\_
  - e) \_\_\_\_\_
  - f) \_\_\_\_\_

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

4. **Subordination of UBCP/ACTRA Security Agreement.** Pursuant to paragraph 7 of the Standard Security Terms, UBCP agrees that its security interest will rank subordinate to the security interests of the parties listed in paragraph 3 of this Security Agreement. The intent of this provision is that generally, the security interests of the following parties will enjoy priority over UBCP/ACTRA's security interest: chartered banks, trust companies or other recognized lending institutions, government-funded financiers, and subject to the prior written approval of UBCP/ACTRA, other lenders or financiers who specifically require priority and who are providing project financing in respect of the Production.
5. The Debtor represents and warrants as follows:
  - a) Debtor's Legal Name, principal place of business and mailing address:  
\_\_\_\_\_
  - b) The address at which the Debtor keeps its records concerning accounts and contracts with respect to which a

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security interest is herein granted (if different than above) is:

\_\_\_\_\_

c) The negatives in connection with the Production will be processed by:

\_\_\_\_\_

d) The positive copies of the Production for distribution will be made by:

\_\_\_\_\_

e) The Debtor is duly organized and exists under the laws of the Province/State/Country of \_\_\_\_\_, and is not restricted by its charter documents or otherwise from entering into this Security Agreement.

f) The copyright in Production has been or upon its completion will be duly registered in the following countries: \_\_\_\_\_ free and clear of adverse claims and liens other than those created hereby or as disclosed in paragraph 3 hereof;

g) If the Debtor is not the producer, that the producer is: \_\_\_\_\_ and its place of business is: \_\_\_\_\_; and \_\_\_\_\_.

h) That it is in receipt of a copy of the Agreement, this Security Agreement and the Standard Security Terms.

**IN WITNESS WHEREOF** the Debtor has executed this Security Agreement at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (month) \_\_\_\_\_ (year).

(Debtor)

Per: \_\_\_\_\_ Per: \_\_\_\_\_  
(signature) (signature)

\_\_\_\_\_ (please print names) \_\_\_\_\_ (Corporate Seal)

<b>Acknowledgement by The Union of B.C. Performers/ACTRA</b>	
Per: _____ (signature)	_____ (please print name and title)
Date: _____ day, of _____, _____. (month) (year)	